FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 056 *22 March 1983*

ARGENTINA

Army Expects MNJ Win; 'May Have' Contacted Peron B 1
Peronist Labor Organization Launched B 1
Economy Ministry Sets Price Increase Ceilings B 2
Army Denies Request for Support B 3
Flooding Forces Evacuation of More Than 70,000 B 3

BOLIVIA

Velarde Dorado Comments on UN, India Visits C 1
Central Bank Reports Argentine Gas Payment C 1
[PRESENCIA 15 Mar]
COB Analyzing Latest Economic Measures C 2
Human Rights Group Reports Family Tortured C 2
Seven Departments Declared Flood Disaster Areas C 2

BRAZIL

Figueiredo Activities, Comments on Legislation D 1
Mixed District Vote Bill D 1
New Constitution [O GLOBO 14 Mar] D 1
PT President Distrusts Political Truce D 1
Tancredo Neves Denies Presidential Aspirations D 1
Pledge of Loyalty Criticized D 2
[JORNAL DO BRASIL 17 Mar]
Mines Minister Receives British Trade Official D 2

CHILE

Air Force Pledges Loyalty to Pinochet 21 March E 1
Santos Sees Church-State Relations Worsening E 1

COLOMBIA

Betancur on Nation's Nonaligned Status F 1
[Belgrade POLITIKA 18 Mar]

ECUADOR

Finance Minister on 'Most Serious' Situation G 1
Labor Groups Reject Economic Plan, Call Strike G 3

PERU

EL DIARIO DE LA MARKA Reports United Left Congress [8 Mar] J 1
Briefs: Petroperu Affected by Rain J 1

VENEZUELA

Minister Denies Rumors of Army Unrest, Conspiracy L 1
Congress Urges Dismissal of Caracas Governor L 1

MEXICO

Sepulveda Amor Returns, Calls Trip 'Fruitful' M 1
Sepulveda on Central American Peace Formulas M 1
Details of Trade Agreement With Cuba Disclosed M 1
Protest Planned Against U.S. Immigration Bill [EXCELSIOR 19 Mar] M 2
Pemex Director Gives Nationalization Day Speech [EL UNIVERSAL 19 Mar] M 2
Delegation Ratifies Law of Sea Convention M 5

PANAMA

Arias Calderon Clarifies PDC Stand on Unity [LA ESTRELLA DE PANAMA 17 Mar] N 1
Popular Nationalist Party Urges Dialogue N 1
Briefs: Ambassador to Guatemala; New French Ambassador; N 3
IDB Loans; BLADEX President; Crude Oil Imports

CENTRAL AMERICA

BELIZE

Prime Minister To Visit U.S. in May for Talks P 1

COSTA RICA

Anti-Sandinist Forces Claim Strong Positions P 1
Officials Report Mining of Nicaraguan Border P 2
Government Asks Cuba To Spare Workers' Lives P 2

EL SALVADOR

Guerrilla Force Reportedly Parachuted Into East P 2
Rebels Reject Elections; Willing To Negotiate P 3
Station Interviews FDR's Guillermo Ungo P 3
FMLN Periodical Speculates on Intervention [Managua] P 5
FMLN Leader Sees U.S. Wish for 'Another Vietnam' [Managua] P 5
Radio Venceremos Reports on FMLN Activities P 5
Commentary on Garcia Villas P 5
40 Prisoners Released P 7
Colonel Castillo on Elections P 7

Troop Buildup in Morazan P 8
Havana Service Reports on FMLN Situation P 8
U.S. Supply Air Bridge P 8
Rights President 'Murdered' P 9
FMLN Clashes, Sabotage P 9
U.S. Aid, 'Meddling' Protested P 10
Results of Guerrilla Offensive P 10
Offensive in Morazan P 10

NICARAGUA

Sandinist Leaders' News Conference on Conflict P 11

CUBA

Havana Views Anti-Sandinist Groups' Activities Q 1
Castro Orders Quick Response to Storm Damage Q 2
Malmierca Invites King Juan Carlos To Visit Cuba Q 2
Hart Leaves Yugoslavia, Arrives in France Q 3
Agreement Signed in SFRY Q 3
Arrival in Paris Q 3
Meeting With Marchais Q 3
Briefs: Territorial Militia Exercises Q 3

CARIBBEAN

ANTIGUA AND BARBUDA

Finance Minister Announces 1983-84 Budget S 1

BARBADOS

Peace Group on Visits of U.S., British Vessels S 2

GRENADA

Communique Condemns Rebel Unrest in Nicaragua S 2
Statements Noted by Havana S 2

JAMAICA

Seaga Reaches 'Understanding' With IMF S 3

GUYANA

Campaign Against Corruption in Government Begins T 1

SURINAME

Havana Cites Bouterse Interview on Solidarity U 1
Further Comment U 1

ARMY EXPECTS MNJ WIN; 'MAY HAVE' CONTACTED PERON

PY212110 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1608 GMT 20 Mar 83

[Text] Buenos Aires, 20 Mar (NA) -- An Army envoy may have travelled to Madrid recently with the mission of talking former president Maria Estela de Peron into supporting the Justicialist presidential ticket of Italo Luder and Angel Robledo, it was learned here today. This envoy's trip to Madrid would be an indication that the Army is convinced that Peronism will win the upcoming elections.

The two main newspapers in Buenos Aires agree with the appraisal that the Justicialists will be the winners in the next elections.

Another aspect which the military may have taken into consideration in favoring a Luder-Robledo ticket is that Peronism "is a formidable barrier against a surge from the left."

It is believed that sending an Army envoy to Madrid is part of that service's new strategy, which is being referred to as the "political profile" of that service.

The meetings to be held by several ministers with GT [General Labor Confederation] leaders, who up until now have not had access to the offices of ministers, are said to be also part of that strategy.

It is being noted that the influential head of the 62 organizations, Lorenzo Miguel, is instrumental in the new CGT presence in governmental circles. Miguel has just gained some ground with the Army by castigating the Peronist left during a gathering at the Atlanta soccer club stadium.

Another sign of the new CGT prestige is said to be a meeting that may have recently been held by military chiefs with Lorenzo Miguel and Jorge Triaca on the premises of the I Army Corps.

Peronist Labor Organization Launched

PY192224 Buenos Aires TELAM in Spanish 0245 GMT 19 Mar 83

[Text] Buenos Aires, 18 Mar (TELAM) -- The official launching of the 62 Peronist labor organizations of Azopardo Street took place today. It was not possible, however, to appoint all the members of the executive board, which will be in charge of the general leadership of the group, or to release a three-page document. The document will not be published until tomorrow.

However, the new 62 organizations did appoint the members of the national board which has 33 members: 12 for the National Labor Commission (CNT); 12 for the commission of the 20, and 9 for the regional delegations from the interior of the country. The unions which will form the executive board still remain to be named, a decision that may take place in 2 weeks. The new political-labor group thus had to increase the number of members of the national board, initially planned to be 13, since no agreement was reached among the sectors making up the board.

The launching of the parallel 62 organization took place during a national plenary meeting held at the headquarters of the Textile Workers Association, 734 La Plata Avenue in this capital. There were a few interruptions, however, caused by the fact that leader Jorge Lujan, one of the four CGT-Azopardo secretaries general, had a meeting with Labor Minister Hector Villaveiran at the Labor Ministry at the same time the assembly was going on.

ECONOMY MINISTRY SETS PRICE INCREASE CEILINGS

PY181711 Buenos Aires TELAM in Spanish 2309 GMT 17 Mar 83

[Text] Buenos Aires, 17 Mar (TELAM) -- The Economy Ministry has established maximum limits for price increases. The 1,000 leading enterprises that are included in Resolution No 279, which was issued today, will be allowed to implement these prices increases on a decreasing basis.

These enterprises, and those that are to be included in the future, will be unable to increase the sale price of those products that were billed as of 15 December 1982 beyond the following limits:

A) From 15 December to 15 March : up to 29.5 percent.
B) From 16 March to 15 April: up to 9 percent.
C) From 16 April to 15 May: up to 9 percent.
D) From 16 May to 15 June: up to 9 percent.
E) From 16 June to 15 July: up to 8 percent.
F) From 16 July to 15 August: up to 8 percent.
G) From 16 August to 15 September: up to 8 percent.
H) From 16 September to 15 October: up to 8 percent.
I) From 16 October to 15 November: up to 7 percent.
J) From 16 November up to 15 December: up to 7 percent.

It was noted that the maximum limits for price increases cannot be implemented unless they are justified by costs, and that new enterprises will be included under the price control system solely by decision of the Commercial Secretariat or at the request of those chambers or federations that group them.

Those enterprises that have increased the prices of their products beyond the established limits, "will have to maintain those prices until they fall within the framework of the price ceilings."

Those enterprises included in Resolution No. 279 that are listed in an annex of this measure will have to draft an affidavit each time they decide to change their sales price. This affidavit will "specify the sale conditions and will include a list of all those clients who in the previous month acquired more than 10 percent of their monthly production, given by unit and specifying their social status and address."

Before 8 April, these enterprise will also have to submit to the Commerce Secretariat "the total amount for salaries paid to employees during the first 3 months of the year, specifying the number of hours they worked (whether normal or overtime hours), prices and bonuses, family allotments, vacations, illnesses and accidents but excluding any type of Christmas bonus or other similar payment.

The affidavit must be signed by the person having sufficient legal power to bind the enterprise and it must be certified by the trustee, the Audit Commission [Comision Fiscalizadora] or, in the case of limited liability companies, by the accountant who signs the annual audit.

Moreover, the resolution establishes that those enterprises included in the resolution cannot make more burdensome the sales terms presently in force without the specific authorization of the Commerce Secretariat and that this Secretariat is authorized to exclude products or lines of products that have little significance in terms of sales.

It is noted that the sales price of new products must be authorized by the Commerce Secretariat prior to their release on the market. This situation will also be applied whenever the enterprises need to increase their sales prices beyond the established limits.

Resolution No 279 does not include pharmaceutical products for human consumption since Resolution No 150/82 will continue to be in force.

Those enterprises that strictly follow what is established in this resolution will have the right to resort to credit facilities to be established by the Central Bank while those that do not fully comply with these rules will be liable to sanctions established in Law No 20,680 and to the immediate suspension of their credit privileges and full and immediate payment of their outstanding debt. Moreover, every month the Commerce Secretariat will inform the Economy Ministry of those companies that complied with the established terms.

After noting that the new resolution repeals Economy Ministry Resolutions No 45, 36, 96, 234, 413 and 612, it is noted that this resolution will be in force as of the day it is published in the GAZETTE.

Army Denies Request for Support

PY190134 Buenos Aires LA PRENSA in Spanish 18 Mar 83 p 1

[Text] The Army Command denied rumors which stated that the head of this force, Lt Gen Cristino Nicolaides, had summoned Argentine businessmen to request their support for the government's economic measures. This denial was made through a communique released at noon yesterday which reads:

"The Army Command hereby denies reports published in newspapers today on an alleged meeting with businessmen, called for by this force, in order to request their support for the economic measures recently implemented by the national government.

"The Army once again points out that all actions pertaining to the state's management are the exclusive prerogative of the military junta and the national legislative branch, in accordance with their respective duties, therefore, reports such as the aforementioned reveal that the accuracy of the published reports is not verified and that these reports seek to undermine the Armed Forces' unity."

FLOODING FORCES EVACUATION OF MORE THAN 70,000

PY212114 Buenos Aires Domestic in Spanish 2000 GMT 21 Mar 83

[Excerpts] Under Secretary for Social Advancement (Andres Otto Caamano) has given a report on the total number of evacuated people throughout the country because of the floods. The total is 71,972 persons. This total is distributed in the following way: Formosa Province 27,608 people; Chaco Province 6,892 people; Misiones Province 3,946; Corrientes Province 7,245 people; Entre Rios Province 5,943 people; Santa Fe Province 17,692 people; and Buenos Aires Province 2,646 people.

VELARDE DORADO COMMENTS ON UN, INDIA VISITS

PY181332 La Paz Radio Illimani Network in Spanish 1100 GMT 18 Mar 83

[Excerpts] Bolivian Foreign Minister Mario Velarde Dorado has indicated that international cooperation is forthcoming very slowly. During a meeting he held with UN Secretary General Javier Perez de Cuellar he emphasized that the Bolivian people need a speedy implementation of international cooperation plans. Mario Velarde Dorado stopped over in New York on his way back to Bolivia from the Seventh Nonaligned Summit Conference in New Delhi. Last night the Bolivian foreign minister went on to Washington in response to an invitation U.S. Secretary of State George Shulz had issued at an earlier date.

During his meeting with the UN secretary general, the Bolivian foreign minister discussed aspects of the Bolivian economy. This station has contacted (Laura Chacovsky) of the UN press bureau who provided the following information:

[Begin (Chacovsky) recording] UN Secretary General Javier Perez de Cuellar today met with Bolivian Foreign Minister Mario Velarde Dorado. At the end of his meeting the Bolivian foreign minister made the following statement: [end recording]

[Begin Velarde recording] My interview with the UN secretary general has been very positive. In any case I would like to talk about various matters, especially the economic situation in my country. Distorted reports provide a picture of apparent instability of the Bolivian democratic process. A couple of news media reports or initial information concerning certain events which have eventually been resolved have led to confusion as far as interpreting the true situation of the country and the prospect of the democratic process go. I feel that some things must be clarified. In view of the current economic crisis there are, indeed, a number of demands for salary hikes, some of which have led to strikes. But it is not true that dialogue with the unions and with private businessmen has been discontinued. The democratic process, which has the trust of the people, is still the only way out for Bolivia.

The National Conference of Businessmen has pledged its support for Bolivian democracy and has conveyed to us their acceptance of the latest economic measures. After 5 months of democratic regime the Bolivian people see with growing frustration and anxiety the sluggishness of international support which has repeatedly been pledged [words indistinct] since the overthrow of the dictatorship last year.

My trip to New Delhi, where 100 nations categorically reaffirmed their support for Bolivia's inalienable right to recover an outlet on the Pacific Ocean, also gave me the opportunity to search for mechanisms capable of facilitating the channeling of international cooperation into my country. [end recording]

CENTRAL BANK REPORTS ARGENTINE GAS PAYMENT

PY192305 La Paz PRESENCIA in Spanish 15 Mar 83 p 1

[Excerpt] The Bolivian Central Bank yesterday officially reported that over the last weekend Argentina paid $127.22 million for gas purchased from Bolivia. The report stated that "the Argentine state gas company, in keeping with the agreement signed last month, has deposited over the weekend in the account of the Bolivian Government Oil Deposits, YPFB, $127.22 million as payment for gas purchased from this corporation."

COB ANALYZING LATEST ECONOMIC MEASURES

PY172352 La Paz Radio Illimani Network in Spanish 1700 GMT 17 Mar 83

[Text] The Bolivian Labor Federation, COB, is still demanding the enactment of a basic salary with escalation clause. COB Executive Secretary Juan Lechin Quendo has said that the salary readjustment has not been proportionate to the inflation rate and that COB has begun analyzing the measures announced last night, in order to estimate the exact fluctuation of prices and of the salary purchasing power.

[Begin Lechin recording] [in progress] obviously, that is why we will base our study on price levels on 5 November 1982, price increases in 1983 and current prices. [Words indistinct] of the government, but we do not believe that they will be complied with. But we will base our analysis on government-fixed prices and we will show that the salary purchasing power has declined. [end recording]

Lechin added that the COB will maintain its position [words indistinct] supporting Bolivian workers.

HUMAN RIGHTS GROUP REPORTS FAMILY TORTURED

PY211421 Paris AFP in Spanish 0034 GMT 20 Mar 83

[Text] La Paz, 19 Mar (AFP) -- It was revealed here today that the five-member Ortega Miranda family was kidnapped and tortured for 45 days at the Manchego Regiment of Santa Cruz, 1,000 kilometers east of La Paz.

Father Julio Tumiri, president of the Bolivian Human Rights National Assembly made these charges during a press conference held in connection with the Latin American Human Rights Conference now meeting in La Paz.

Showing the marks of torture on the victims' bodies, Father Tumiri said that they had been accused of possessing arms and arrested on 23 January. He directly accused Maj Ciro Sandoval Soliz and Lt Gustavo Siles Ramirez of personally torturing these citizens, and doing it under a democratic regime.

Father Tumiri said that a writ of habeas corpus was necessary in order to release these citizens, only to be arrested again 7 days later.

Col Gary Prado Salmon, commander of the 8th Army Division headquartered in Santa Cruz, told the press that he did not know what had happened, but that the facts will be investigated in order to punish the culprits.

SEVEN DEPARTMENTS DECLARED FLOOD DISASTER AREAS

PY220203 La Paz Cadena Panamericana in Spanish 0000 GMT 22 Mar 83

[Excerpt] The government has declared the departments of Santa Cruz, Potosi, Oruro, La Paz, Cochabamba, Chuquisaca and Tarija as national disaster areas as a result of the floods and drought that have taken place in those areas.

In the respective decree, the government states that the above decision is being made due to the floods in Santa Cruz and to the drought, hail and frost in rural and urban areas of the departments of Potosi, Oruro, La Paz, Cochabamba, Chuquisaca and Tarija.

FIGUEIREDO ACTIVITIES, COMMENTS ON LEGISLATION

Mixed District Vote Bill

PY220100 Brasilia Domestic Service in Portuguese 2200 GMT 21 Mar 83

[Excerpt] President Joao Figueiredo today signed a message which will be submitted to Congress along with a draft bill designed to implement the mixed district vote system. The announcement was made by Presidential Press Secretary Carlos Atila.

New Constitution

PY182041 Rio de Janeiro O GLOBO in Spanish 14 Mar 83 p 5

[Interview granted by Brazilian President Joao Figueiredo to O GLOBO television network program "O Povo E O Presidente" on 3 March]

[Excerpts] [Question] I have here a letter from Dineuma Ferreira, who lives in Belem, who asks if there are any plans to draft a new constitution?

[Answer] I admit that institutional issues set the framework for national matters. Our Constitution is the result of a true political process that is tied to our nation and that was born out of the 1864 revolution. Moreover, it has deep historical roots. However, this does not mean that it is perfect or that it is a finished process. I do not think that any constitution is or can remain unchanged since it needs to be in keeping with a country's social and political changes. And so does ours.

I recognized this during the electoral campaign and even before, when I was a candidate. I believe that there are certain areas in which our Constitution can be improved. What is more, this process is provided for in the Constitution itslef. The Constitution can be amended by two-thirds of the vote of Congress.

[Question] But are there any plans to draft a new constitution?

[Answer] No, there are no plans for a new constitution. We could think about certain amendments, but there are no programs in this regard. We have other more urgent issues that must be solved first.

PT PRESIDENT DISTRUSTS POLITICAL TRUCE

PY192238 Porto Alegre Radio Guaiba in Portuguese 0200 GMT 19 Mar 83

[Text] Luis Inacio da Silva, Lula, the president of the Brazilian Workers Party, PT, does not trust the truce proposed by President Joao Figueiredo because, according to Lula, the president of the nation has not provided an objective basis for a discussion. Lula said that the PT will hold a dialogue with the government only if it is truly prepared to discuss matters of interest to the workers such as the minimum wage, job stability, a policy to increase employment, changes to the economic policy, (?support) for farmers, respect for union freedom and [word indistinct] law in Brazil.

TANCREDO NEVES DENIES PRESIDENTIAL ASPIRATIONS

PY211416 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 21 Mar 83

[Excerpt] Tancredo Neves has denied that he might run for president. He said: I am not looking to become a presidential candidate and I will not accept any sponsorship for my candidacy.

I have a commitment to the minas people and I will once again state that I will stay their governor until the very end of my term.

Pledge of Loyalty Criticized

PY190015 Rio de Janeiro JORNAL DO BRASIL in Portuguese 17 Mar 83 p 3

[Text] Brasilia -- "To extoll the authority of someone who has lost it is to dig up a corpse without any charisma and turn it into a leader." This remark was the reaction of Francisco Pinto, secretary general of the Brazilian Democratic Mobilization Party, PMDB, to the telegram which Minas Gerais Governor Tancredo Neves sent to General Figueiredo on the day of his inauguration. In this telegram Tancredo pledged loyalty to President Figueiredo and proposed "basic agreements" to overcome the crisis.

Throughout the interview which he granted to discuss the installation of the new government, the secretary general of the PMDB never once mentioned Tancredo by name. However, his disagreement with the telegram became quite clear when he claimed that it was not necessary to extoll the authority of the president and to pledge loyalty to the chief of government. He said: "The president has never been loyal to the opposition therefore, we need not be loyal to him. We must be loyal to the people.

Deputy Francisco Pinto feels that "the proposal for basic agreements will be only valid if Figueiredo is accepted as an intermediary because he no longer rules or decides. He has swayed under the pressure of international capital and is no longer able to negotiate objectively, unless he is to be an intermediary between the opposition and the outside forces."

Further ironizing over the proposal for an understanding to overcome the crisis, Pinto said that it could only take place under two circumstances: "If the opposition were to learn to speak English or if Figueiredo were to act as our interpreter."

Freitas Nobre, leader of the PMDB bloc in the Chamber of Deputies commented on the telegram in more moderate terms. He said that the loyalty which Tancredo had promised the president went only as far as "the commitments to redemocratize the nation." He added: "Otherwise Tancredo would be going against PMDB's openly oppositional program and activities."

Freitas Nobre concluded by saying that "the solution to the crisis depends on structural changes which imply the abrogation of the current economic program. If this is the solution which the governor of Minas Gerais meant in his telegram he is not straying away from the party program which every member from the governor down must comply with."

MINES MINISTER RECEIVES BRITISH TRADE OFFICIAL

PY220118 Brasilia Domestic Service in Portuguese 2200 GMT 21 Mar 83

[Text] Mines and Energy Minister Cesar Cals today met in Brasilia with British Assistant Secretary of State for Industry Norman Lamont.

The meeting was also attended by a delegation of businessmen and, according to Cals' advisers, issues concerning technical cooperation in the mining and energy areas -- especially coal and hydroelectric power -- were discussed.

AIR FORCE PLEDGES LOYALTY TO PINOCHET 21 MARCH

PY211933 Santiago Domestic Service in Spanish 1730 GMT 21 Mar 83

[Graciela Contreras report from Government House]

[Excerpts] Gen Fernando Matthei stated at noon today that the Chilean Air Force will follow its president, no matter who stands in its way, to defend the Constitution and the laws. President Pinochet today presided over a military ceremony marking the 53d anniversary of the Chilean Air Force at the Capitan Avalos Aviation School.

Matthei said: [begin recording] No reward, no threat, no difficulty, no obstacle, boycott or embargo will prevent us from complying with our duty. Nothing, no one will mislead us or undermine our decision. The Air Force will follow its president, no matter who stands in its way, to defend the Constitution and the laws. Your excellency, Mr President, your presence and that of government officials also confirms your government's commitment to our Air Force, which proudly pledges its loyalty. [end recording]

SANTOS SEES CHURCH-STATE RELATIONS WORSENING

PY181359 Paris AFP in Spanish 2000 GMT 17 March 83

[Text] Santiago, 17 Mar (AFP) -- Msgr Jose Manuel Santos, chairman of the Episcopal Conference, stated today in Santiago that relations between the church and the Chilean military government, in the wake of the expulsion from the country of two Irish priests, are heading down a path which is bad for all.

The two priests, Brendan Forde and Desmond McGillicudy, were detained and expelled to Buenos Aires on an airplane on Wednesday, a week after Gen Augusto Pinochet's government accused them of political activities that could undermine public order and the political recess.

Monsignor Santos stated that these priests were expelled despite the talks in progress between the church hierarchy and government officials on the case, a procedure that aggravates the situation.

Forde and McGillicudy, who had been working in the poor neighborhoods, were arrested near a church in the western sector of the city, in a police operation involving 14 vehicles and 50 agents, Monsignor Santos reported.

The chairman of the Chilean Episcopal Conference stated that it was not possible to obtain from the government the exact charges that caused the cancellation of the visas of the two Irish priests and of the Australian Priest Brian McMahon, who is apparently hiding in Santiago.

Relations are not very good at the moment because they are limited, and with this event the government is now questioning the authority of the church, Santos stated.

BETANCUR ON NATION'S NONALIGNED STATUS

AU2111810 Belgrade POLITIKA in Serbo-Croatian 18 Mar 83 p 3

[Report by Djuka Julius, POLITIKA special correspondent, on the "exclusive interview" granted to POLITIKA by Belisario Betancur, president of the Republic of Colombia -- date and place not given]

[Excerpts] Bogota, 17 Mar -- "I think that the decision to strengthen and consolidate the Nonaligned Movement was the most important decision of the summit meeting of nonaligned countries which concluded in New Delhi a few days ago," Belisario Betancur, president of Colombia, said in an 'exclusive interview' granted to POLITIKA. "Various speeches by speakers at the summit, heads of state or government or ministers of foreign affairs, reasserted the original philosophy of nonalignment and confirmed and strengthened a return to the original inspiration of Tito, Nehru and An-Nasir, and therefore I sincerely believe that, after this summit, the Nonaligned Movement is even more nonaligned," Colombia's president added in his first comment on the results of the summit meeting at which Colombia was admitted to the Nonaligned Movement as a full-fledged member.

"It was precisely the search for a mechanism which would move us closer to or lead us to find our real identity that led me to conclude that joining the Nonaligned Movement is a way of being on our own without any of the former 'satellite status' in any respect especially in view of the fact that, for geographical if for no other reasons, the policies of many Latin American and Caribbean countries have been turned into 'satellite' policies for a long time now," Belisario Betancur pointed out. "We, however, want to escape from being anyone's satellite in order to be on our own and to find and strengthen our own identity and our independence, both at home and in the world," the Colombian president stressed. He added that the Nonaligned Movement enables Colombia to struggle for its own interests, together with other nations with the same or similar interests.

He said that he does not want to "consider things in hindsight" or accuse anyone of anything but, as he pointed out that Colombia is no longer anyone's satellite and that it does not want to replace one satellite position with another but rather be independent, it was clear that he thinks that, in earlier times, his country was the satellite of a bloc and it does not want to be in such a position any longer. "Joining the Nonaligned Movement is an expression of independence," he added.

President Betancur then pointed out that Fidel Castro's chairmanship of the Nonaligned Movement "created certain reservations" toward nonalignment, especially in Latin America, which was wrong because everyone in that movement can have his say and his own view of nonalignment, and any such statements, ideas or views do not represent the orientation of the movement as a whole. It was a mistake and an error "to equate the views of Castro, as a personality and chairman of the movement, with nonaligned policy," something that will be even more difficult following the New Delhi summit. At the same time, Betancur pointed out that perhaps the time is not ripe yet for Colombia and Cuba to resume their relations, which they severed in the past, that even the Bible says that "there is a time for praying and a time for singing" and that, for this reason, Colombia is now slowly developing a new constructive policy in the Caribbean and Central America and that, within the framework of that policy, it would certainly also consider the problem of resuming relations with Cuba, "in accordance with the existing constellation and with certainty about that constellation."

FINANCE MINISTER ON 'MOST SERIOUS' SITUATION

PA211841 Quito Domestic Service in Spanish 0130 GMT 21 Mar 83

[Address by Ecuadorean Finance and Credit Minister Pedro Pinto Rubinaes: place not given -- live or recorded]

[Excerpts] [broadcast in progress] after several years of prosperity achieved thanks to high oil prices and subsequently to foreign credits, our country is currently experiencing an acute and prolonged economic crisis that affects all Ecuadoreans. When the oil prices decreased abruptly and we stopped receiving credits in dollars from the international private banks, we went overnight from abundance to scarcity.

To give you an idea of the grave consequences of the oil price decrease, I will tell you that for each dollar that the price of a barrel of oil decreases, (?our country) fails to receive $36 million [time period not specified]. This is the explanation [words indistinct] currently experienced by the Ecuadorean economy, which mostly consists of [words indistinct] of foreign exchange with which the Central Bank must pay for Ecuador's purchases abroad that are necessary for the country's development. Due to the fiscal deficit, the Finance Ministry does not have the necessary resources to further the construction of roads and hydroelectric plants, to attend to social projects and, occasionally, to pay the state employees' wages on time.

In the face of a crisis of this magnitude, which is probably the most serious our country has experienced in this century, the government has assumed its duties toward the homeland and the Ecuadorean people with civic bravery, responsibility and [word indistinct].

Since economic resources are not in abundance, the country must live within its scant means. To do this, in the first place, it has been necessary to implement a much-needed austerity policy. The government was the first one to set the example by eliminating all unessential expenditures, by establishing strict priorities for the various projects and even by reducing the salaries of the highest-ranking officials. With the approval of the law on economic regulation and the control of public spending, thanks to the cooperation of the National Chamber of Representatives -- to which I want to pay recognition -- we expect to continue with this austerity policy.

Austerity, however, must be practically by all Ecuadoreans, and this means both workers and businessmen.

If we have neither dollars nor sufficient fiscal resources, it is essential that the entire Ecuadorean society save foreign exchange, and not spend money on goods that under the present circumstances are unnecessary.

How can we stimulate the influx of dollars and reduce the outflow? Undoubtedly the most effective way is to increase the price of imports and to make our exports more competitive. To this end the Monetary Board, on the basis of the most recent legal reforms, decided to devalue our currency. The sucre's quotation against the dollar was changed from 33 to 42. A system of periodic minidevaluations was established for the future so that the price of the dollar can change gradually, and so that we won't have to introduce periodic abrupt changes in the monetary parity.

Our exports of oil, bananas, coffee grains, cacoa beans and sugar will receive this dollar worth 42 sucres. All the [word indistinct] will receive the dollar at a higher exchange rate because a part of the foreign currency obtained can be sold at the Central Bank's free exchange market, where certain importers will also have to obtain foreign exchange. In this manner, greater incentives are given to the marginal exports, and unessential imports are made more expensive.

Since incentives are being provided to the export sectors, the tax discount [abono tributario] certificates that they used to receive have now been eliminated. The Treasury will save about 2 billion sucres a year in this manner. In addition, export credits have been made more expensive, since it is felt that this incentive is no longer necessary.

In order to compensate at least partially for the hike in the cost of imports, it has been decided that [word indistinct] deposits be reduced, as well as the period during which these deposits must remain in the Central Bank.

The monetary bank has decided to raise the legal interest rate by 1 pound. It has also simplified the myriad interest rates, some of which are subsidized for productive activities. Unfortunately, some people diverted these resources and used them for other purposes. Preferential interest rates will be maintained for the Central Bank's credits for social programs, such as those carried out by Foderuma [Marginal Rural Area Development Fund] and Enprovit [National Enterprise for Vital Products], and for certain economic activities that must be protected through the credit operations of the [words indistinct] bank.

The prices of regular, premium and extra gasoline and the price of natural gas have not been increased, but price hikes have been authorized for diesel, turbo, bunker fuel oil and kerex [not further identified]. These hikes will be gradual and will become effective every 3 months until the first half of 1984. The amounts are small and range from 1.5 to 2 sucres. This decision was necessary to increase the revenues of both CEPE [Ecuadorean State Petroleum Corporation] and the government, and to curb the expensive and irresponsible fuel consumption of our country in previous years. Oil is scarce and nonrenewable resource, and we must protect it because the country's future development depends on it. In order to this, we must save; and this is possible only when the consumers became aware of its high cost.

I would like to provide some figures to demonstrate what I am saying. Until 1981, gasoline consumption grew by 14 percent per year. In 1982, it grew by less than 2 percent. This proves the positive results of the government's energy policy.

The government is aware of the inflationary effects that some of the decisions that I have just mentioned might cause. We are all concerned over the high inflation rate of the last few months. In order to neutralize this inflation rate, we will continue penalizing speculators and implementing price controls. The government, by the way, is willing to consider gradual and controlled wage increases.

We want to attend to the middle classes, which have gone without salary adjustments in the last few years. However, I would like to urge that we proceed with utmost prudence in the wage area to avoid greater maladjustments of the Ecuadorean economy. It must be borne in mind that these wage increases are the main ingredient of inflation.

The government has pointed out that we must all pay the cost of this crisis. I have already noted that both the state and the public institutions have subjected themselves to an austerity program, and consequently to serious restrictions. The private institutions and the workers should do the same. I would like to address those sectors in particular to request their cooperation and support in overcoming this crisis. Let us forsake unhealthy criticism and systematic negativism, and let us work with the spirit that nations need when faced with difficulties and challenges.

LABOR GROUPS REJECT ECONOMIC PLAN, CALL STRIKE

PA191702 Quito Voz de los Andes in Spanish 1230 GMT 19 Mar 83

[Text] The United Workers Front has decided to go on a 48-hour warning strike in response to the monetary devaluation and the increase in the prices of staples. The strike will be held on Wednesday and Thursday next week.

At the same time, the Ecuadorean Confederation of Classisit Organizations, Cedoc, announced an advanced general strike. The Cedoc Executive Committee has decided to join the general strike on Tuesday, 28 March, [as heard], completely backing the struggle plan. (Cesar Correa), administrative director of the Cedoc's Information Department, reports on this:

[Begin recording] Today, the leaders of the Democratic Federation of Workers of Pichincha [Federacion Democratica de Trabajadores de Pichincha] and the national leaders of the Cedoc have been meeting to analuze the decisions of the Monetary Board. We made our decisions that we have also made after also consulting by telephone with the leaders of the provincial federations throughout the country. The meeting has also been attended by (Jorge Munoz), president of the Federation of Classist Organizations of Esmerladas [Federacion de Organizaciones Clasistas de Esmeraldas] and (Cesar Chongo), president of the Peasant and Indian Organizations of Napo [Organizaciones Campesinas-Indigenas del Napo]. (Rodrigo Munoz), president of the Democratic Federation of Workers of Pichincha, will announce the decisions we have made:

[Munoz] The Cedoc Executive Committee which includes the Executive Committee of the Democratic Federation of Workers of Pichincha met today. We have analyzed the measures established by the Monetary Board, the economic front and obviously by the national government. Therefore, the committees of our organization and Cedoc have decided to go on a national strike on Tuesday at 0600. We believe we must point out that we are not going to accept these new economic impositions by the Hurtado government because they are another burden on the shoulders of the Ecuadorean people. [end recording]

After the announcement of the new economic measures by the Monetary Board, (Alberto Gutierrez Gonzalez), president of the National Confederation of Public Employees [Confederacion Nacional de Servidores Publicos -- Conasep], said the following:

[Begin recording] In the past few days, Conasep has already expressed its total and absolute rejection of any measures that harm the already poor economic situation the Ecuadorean people and workers, particularly the public employees who have fixed salaries. To adopt such measures in the current circumstances means the worsening of the crisis and the creation of internal unrest which will undoubtedly lead to a political alternative that we public employees do not want. We defend the democratic system but the government must also cooperate by strengthening rather than weakening the democratic system. Therefore, the Conasep National Council has decided to hold a number of demonstrations to protest and reject the measures that the government has adopted regarding the current economic problems. [end recording]

EL DIARIO DE LA MARKA REPORTS UNITED LEFT CONGRESS

PY181342 Lima EL DIARIO DE MARKA in Spanish 8 Mar 83 p 6

[Editorial: "First National Convention of the United Left"]

[Text] The National Executive Committee of the United Left [IU] ended its first national convention early on Monday after 2 days of intense work. Although the resolutions approved are of vital importance for the sympathizers and members of the left, they will undoubtedly also serve the country's political and social sectors because they are above and beyond mere party resolutions.

Strengthening a force as large as the left will guarantee the struggle for political and economic democracy in our country. The convention approved resolutions on five major subjects: the political situation and the national strike, the organization of the IU and of its rank and file, the electoral rules, the IU's position regarding the Law of the Sea and the IU's programs and platform. The top leaders of the eight IU organizations participated in the meeting.

The conclusions arrived at during the meeting can be of significant importance in the near future. The convention changed, to a certain extent, the image of disunity that the IU had after the results of the APRA [American Revolutionary Popular Alliance] congress and of the political offensive launched by the government sectors through the media. Although an image cannot be changed completely in just one meeting and a convention cannot be compared to the organization and political importance of a congress, this convention has undoubtedly helped to partly change the image of the main organization of the Peruvian left, for all we know, this is very important considering the crisis we are immersed in.

The resolutions regarding the organization of the IU's rank and file and the massive campaign to "recruit" sympathizers have good chances of increasing the number of IU members by the thousands. This is a significant step toward stopping the front's leadership from adopting all the decision by itself. This will mean establishing rights and duties for the leftist members within their organizations and achieving something that the leftist members have been demanding for a long time; democratizing the front and its political decisions. The grass roots conventions held on a district level will now be the main body within the organization.

The resolutions setting the rules for electing candidates, which undoubtedly are the most democratic rules that the IU could have established, were drawn up along this line. It was agreed during the convention that the IU candidates for municipal elections would be elected in direct and free elections held in each district of the country.

All this plus the democratic and anti-imperialist draft platform approved during the convention and to be discussed by the rank and file, show that the national convention resulted in new and necessary things to look forward to.

BRIEFS

PETROPERU AFFECTED BY RAIN -- Lima, 9 Mar (AFP) -- The state petroleum agency (Petroperu) has reported that it lost $45 million due to the heavy rains affecting the northern part of the country. The company said that the Talara plant and the nearby oil fields suffered the impact of the torrential rains that have been hitting this area since the beginning of this year. Petroperu lost $38 million in the road network alone and this is going to have a negative effect on the company's budget. [Paris AFP in Spanish 2209 GMT 9 Mar 83 PY]

MINISTER DENIES RUMORS OF ARMY UNREST, CONSPIRACY

PA192024 Madrid EFE in Spanish 1957 GMT 19 Mar 83

[Text] Caracas, 19 Mar (EFE) -- Gonzalo Garcia Bustillos, minister of the Secretariat of the Presidency, has flatly denied rumors of the alleged arrest of three ranking officers and of alleged unrest within the Army High Command.

"It is a false campaign of rumors intended to create problems for the government," Minister Garcia Bustillos said in an item published today by EL UNIVERSAL.

According to the report in the Caracas daily, "the rumors referred to a presumed conspiracy and to the arrest of several military men in Puerto Cabello (Venezuelan Central Region)."

The morning paper added that Interior Minister Luciano Valero will return to Caracas today, calling off his visit to the state of Barinas, and that Defense Minister Gen Vicente Luis Narvaez Churion has postponed his trip abroad.

While denying the rumor of unrest in the military, Minister Garcia Bustillos concluded in a statement to EL UNIVERSAL: "You can state, on behalf of the government, that the situation is completely normal."

CONGRESS URGES DISMISSAL OF CARACAS GOVERNOR

PA172001 Paris AFP in Spanish 0053 GMT 17 Mar 83

[Text] Caracas, 16 Mar (AFP) -- The Venezuelan Congress tonight agreed to request that President Luis Herrera Campins dismiss Caracas Governor Rodolfo Cardenas, who on 10 March ordered the arrest of Jorge Olavarria, an editor who is a presidential candidate, when he sought refuge in the attorney general's office.

Heavily armed policemen broke into the attorney general's office and arrested Olavarria, who is a presidential candidate for the Radical Cause leftwing pressure group and editor of the Caracas weekly RESUMEN.

Olavarria was accused of expressing disrespect for liberator Simon Bolivar when he published on the cover of his magazine an enlargement of a 100-Bolivar bill with the image of a beaten-up Bolivar -- a reference to Venezuela's present economic problems.

Attorney General Pedro J. Mantellini presented at court a request to investigate conspiracy charges against Cardenas, and against Remberto Uzcategui, chief of the Directorate of Intelligence and Prevention Services, DISIP, since the policemen were acting on his orders.

The intense parliamentary debate continued during the evening hours, concluding with the request that the president dismiss Cardenas. The request was even approved by the Copei members of parliament.

SEPULVEDA AMOR RETURNS, CALLS TRIP 'FRUITFUL'

FL211329 Mexico City NOTIMEX in Spanish 0607 GMT 21 Mar 83

[Text] Mexico City, 20 Mar (NOTIMEX) -- Mexican Foreign Secretary Bernardo Sepulveda Amor returned to Mexico early today following a tour of five countries.

The official said at the airport that it was a very fruitful trip because of the reception he got in Japan as well as because of his participation in the Nonaligned Summit Conference in New Delhi and his visits to Spain, Canada and the United Nations in New York.

Sepulveda Amor noted that in his 20-day trip he had the opportunity of establishing important contacts for Mexico whose results will be reported to President Miguel de la Madrid first.

SEPULVEDA ON CENTRAL AMERICAN PEACE FORMULAS

FL212140 Mexico City NOTIMEX in Spanish 1945 GMT 21 Mar 83

[Excerpts] Oaxaca, 21 Mar (NOTIMEX) -- Foreign Secretary Bernardo Sepulveda said in this city today that the formulas to achieve peace in Central America ought to be based on the unrestricted application of the principle of nonintervention.

Similarly, a process of nondiscriminatory negotiations between countries of the region should be put in progress, the secretary said during the ceremony commemorating the 177th anniversary of the birth of the late President Benito Juarez.

Sepulveda said that the insistence of the superpowers to view the ills of our peoples as an artificial transformation or ideological confrontation constitutes an insult to our intelligence. The foreign secretary insisted on the urgency of ensuring that the principle of peaceful settlement of conflicts prevails under a system of compromises and nonaggression pacts, which may isolate the mechanisms of each conflict, eliminate the arms race in the region and make a new call to reduce all elements which antagonize the spirit and exasperate the prospects for constructive analysis.

The time has come to stop the advancement of the absurd and advance the cause of understanding. Nothing short of that will be good for us. We are living at a time when the international arena, good or bad, is our home in the world, said Bernardo Sepulveda.

DETAILS OF TRADE AGREEMENT WITH CUBA DISCLOSED

FL211348 Mexico City NOTIMEX in Spanish 0314 GMT 20 Mar 83

[Text] Mexico City, 19 Mar (NOTIMEX) -- Mario Barreira Perera, under secretary of parastate industry, has reported that Mexico will buy sugar from Cuba and Cuba will acquire certain Mexican manufactured products.

As a result of Barreira Perera's visit to Cuba, joint projects for technical cooperation in the sugar industry of the two countries will be resumed.

The possibilities for increasing the exchange of merchandise and manufactured products within the framework of technical cooperation were also analyzed with Cuban officials.

In explaining the terms of the talks with Cuban sugar Industry Minister Diocles Torralba, Barreiro Perera praised the extraordinary goodwill of the two sides to reach agreements.

The Mexican delegation that traveled to Cuba also included: Luis Rodriguez Dubalt, General Director of the National Sugar Industry Commission [CNIA]; Frederico Ibarra Gomez, General Director of the National Union of Sugar Producers [UNPASA]; and CNIA and UNPASA officials and experts in the planning, operation and marketing of sugar.

PROTEST PLANNED AGAINST U.S. IMMIGRATION BILL

PA210355 Mexico City EXCELSIOR in Spanish 19 Mar 83 pp 4-A, 22-A

[By R. Hernandez]

[Excerpts] A movement against the U.S. Simpson-Mazzoli immigration bill is being organized in Mexico with the participation of an unprecedented number of union, peasant, social, political and humanitarian organizations.

The sponsoring group of deputies and union leaders is organizing a protest in front of the U.S. Embassy and is proposing that the permanent commission of the Mexican Congress send another message to the U.S. congressmen so they will freeze the bill until it is discussed bilaterally.

On behalf of the group promoting the "Committee Against Approval of the Simpson-Mazzoli Bill," Federal Deputy Rene Rojas Ayala and several members of nuclear, health and university workers unions reported in a news conference yesterday that creation of a similar committee is being promoted in the United States. That committee already has the confirmed participation of more than 55 organizations and personalities.

"Approval of this bill will bring greater problems to Mexico, and above all it will legalize the hounding, persecution, and restricting of labor rights and the mass expulsions of Mexican immigrant workers, who now number millions," the committee's promoters said.

The committee reported that it has tentatively organized the protest in front of the U.S. Embassy for the afternoon of 26 March, the same day on which the coalition for struggle for equality in the United States will be formed, and that deputies Rojas Ayala and Tonatiuh Mercado and Rosario Ibarra de Piedra, president of the National Front Against Repression, will attend.

PEMEX DIRECTOR GIVES NATIONALIZATION DAY SPEECH

PA211239 Mexico City EL UNIVERSAL in Spanish 19 Mar 83 pp 1, 10, 12

[Speech by Pemex Director Mario Ramon Beteta to mark the 45th anniversary of the nationalization of the Mexican oil industry, on 18 March in Tula, Hidalgo State]

[Excerpts] To be Pemex general director is a reason for great satisfaction and pride for a citizen of this country. To be the head of one of the largest institutions, whose job is highly significant to the country's economy, is an enormous responsibility and challenge. To accept it and pursue it with success represents one of the greatest satisfactions imaginable. That is why, before anything else, I publicly want to thank the president of the republic for the distinction he has bestowed upon me as well as the confidence it implies.

Two generations link me ideologically and affectionately to General Lazaro Cardenas. It is a great pleasure and honor to be clebrating with the Mexican people and the president of the republic the 45th anniversary of one of the most significant acts of our modern history.

The name of our respected, admired and dear friend President Cardenas can never be separated from the oil expropriation, which he conceived and firmly carried out with exemplary foresight. I give my fervent homage to this great Mexican.

Apart from reporting on the progress of the institution, I will give you a general outline of the policy we plan to implement from now on according to the guidelines of this government, which is beginning its 6-year period of public life. The outline for this policy is based on an analysis of the current circumstances of the institution and the country as well as of the international situation.

Pemex activities in 1982 can be expressed in the following terms and figures. In 1982 Pemex continued its explorations, leading to the discovery of 18 oilfields, 16 of them on the mainland and 2 at sea, with 10 of them producing oil and 8 gas. These discoveries have compensated for the oil extracted during the year, so that the amount of proven reserves of liquid hydrocarbons has been maintained at 72 billion barrels.

Based on the total production of hydrocarbons in 1982, the relation between reserves and production is of more than 50 years. [sentence as published] The production of crude in 1982 was 2,746,000 barrels daily, which represents a 19-percent increase over the daily average obtained in 1981, which was 2,312,000 barrels.

Gas production increased from 4 billion cubic feet daily in 1981 to 4.25 billion in 1982, which is a 6.5-percent increase. Domestic sales in 1982 amounted to 163 billion pesos, 45.5 percent more than 1981. The income from exports was $16.6 billion, 14 percent higher than in 1981. On the other hand, the purchase abroad of oil and petrochemical products amounted to $550 million, 20 percent less than in 1981. Thus, our country had a favorable oil products balance of $16,050,000,000.

Crude oil was our major export, amounting to $15,623,000,000, an average of 1,492,100 barrels a day. This represented an 18-percent increase in cash and a 36-percent increase in volume over the previous year.

In 1982, investments were 284.8 billion pesos, of which 90.8 billion were used for drilling wells and surveying; 126.1 billion for various projects, 152 of which were completed; 57.4 billion for purchasing assets, furniture and real estate; and 10.5 billion for preserving and maintaining our assets. Pemex income for 1982 was 1.6 trillion, 62 percent of which was obtained from its own operations and 38 percent came from financing.

In order to support its various expansion programs, Pemex became an important lender of money and capital, both locally and abroad. Pemex's total loans through 31 December 1982 amounted to $19,856,000,000. Twelve percent of these loans were local and 88 percent were foreign. Expenditures in 1982 were 1.57 trillion. Of this, 326.8 billion were paid to the federal government for taxes on local and foreign sales.

So, these are the figures for 1982. I will now discuss the conceptual nature of the institution's current situation and its prospects.

Most of our processing units have an acceptable degree of flexibility; they are reliable and efficient. However, taken as a whole, we can see general deficiencies that reduce that flexibility. We don't have sufficient storage space to guarantee operational continuity. We must establish normal functioning conditions so that our products can meet specifications strictly and so that we can render our installations more secure and reliable. We must act to preserve our established capacity, which is enough to meet the demand satisfactorily, in future.

On the other hand, it is absolutely necessary that we retool the refineries to receive loads containing a higher percentage of heavy crudes, of which the country has the greatest supply; and we must complete the installations for handling natural gas from the sea fields, to take better advantage of this resource. It is also necessary that we establish the country's hydrocarbon reserves. Pemex's commercial structure is still inadequate, especially when compared with productivity. Its limited storage and distribution capacity and the inadequate domestic pipelines make meeting domestic demand excessively expensive.

Pemex has only recently participated in world markets. Therefore, it has not developed the best possible infrastructure. Nevertheless, it is noteworthy that it has become a reliable supplier to its clients abroad. In view of the difficulties ahead, we must strengthen all aspects that would permit Pemex to become an even better supplier to its clients abroad. Because of our financial, administrative and commercial situation, our competitive position abroad is weakened, despite the strong productive structure that we already have. This has created in imbalance between Pemex's technical and administrative capabilities, which is expressed in insufficient control of cost, expenditures and productivity; in an increasingly bureaucratic structure, which is usually excessive; and in a financial situation that is affected by the subsidies policy that was improperly assigned to Pemex. In this brief term that we have been in charge, we realize how very important it is that there be good understanding between the organization's workers and management, so that these problems may be solved.

I would like to take advantage of our presence here in Tula to announce that as part of the plan for optimal use of our facilities, it has been decided that the new lubricants plant will be installed in this refinery. In this way we will speed up the achievement of self-sufficiency in this area by almost 2 years. Investments have been carefully rationalized and a strict order of priorities has been defined. Even so, investments will still be very numerous in 1983. It is our firm intention -- this has been demanded by the government and requested by the community -- that these investments be a true lever for promoting the nation's industry. We have already begun to act with regard to capital goods, and the naval and mining industries. Our immediate action plan calls for a production platform of 2.75 million barrels of crude oil per day and 4.3 billion cubic feet of gas per day. In order to establish our longer-term goals it will be necessary, first of all, to wait until the new energy program and the national development plan, which are currently being prepared in the popular consultation forums, are drafted. It will also be necessary to wait until international tensions subside and to examine our participation, which is already important and significant, in the world arena.

On the basis of these considerations, the prices for our oil that are currently in effect and that were determined by the national government are $29 per barrel of light crude oil and $23 for the heavy type.

The 1983 export platform, which has been outlined on the basis o the country's domestic situation and the conditions on the national and internatio arkets, totals 1.5 million barrels of oil per day and 300 million cubic feet of natural gas per day. We will also export some petrochemicals.

Other problems have been gradually taking share. For Pemex, they represent challenges. Outstanding among these problems is the physical and social deterioration of the environment. Aware of all of this of the responsibility that its own origin and the strategic importance of hydrocarbons place on it, Pemex plans to permanently, justly and systematically face the challenge of controlling the effects of oil activity on balanced regional development.

We understand the limitations that we must face if we are to provide the institution with efficient control and supervisory systems on a very short term without increasing bureaucracy or compromising speedy actions, while still putting a stop to those actions that work against the good name of Pemex. We must do this and we are doing it. This is an overriding demand from both the organization and the country.

This is the new Pemex, Mr President: Capacity and energy, responsibility and efficiency. It is also the joy of working for a noble cause. This institution, the standard-bearer of our economic independence, is the mirror of the new Mexico that is emerging before our eyes. We shall surmount the crisis and clear the path to development. There isn't a single Mexican who is not determined to do this and we oilmen demand a frontline place in the process. We will not fail this country. We formally promise this before you, Mexico's foremost citizen.

DELEGATION RATIFIES LAW OF SEA CONVENTION

FL182316 Mexico City NOTIMEX in Spanish 2225 GMT 18 Mar 83

[Excerpt] Mexico City, 18 Mar (NOTIMEX) -- Mexico today ratified in New York the UN Law of the Sea Convention, which will attempt to legislate the extraction of minerals, hydrocarbons and other resources of the sea, the Foreign Secretariat announced here today. The announcement added that Mexico's foreign secretary had delivered the ratification to UN Secretary General Javier Perez de Cuellar.

The Foreign Secretariat said Mexico has been one of the sponsors of the legislation on the exploitation of resources of the sea since 1958. The treaty was approved by 117 votes last December, when 150 nations met in Montego Bay, Jamaica, to discuss the signing of the treaty, which covers the exploitation of 200 miles of patrimonial sea.

ARIAS CALDERON CLARIFIES PDC STAND ON UNITY

PA181610 Panama City LA ESTRELLA DE PANAMA in Spanish 17 Mar 83 p B5

[Letter from Ricardo Arias Calderon, president of the Christian Democratic Party, to Tomas G. Altamirano Duque, director of LA ESTRELLA DE PANAMA; dated Panama, 15 March -- passages in all capitals denote boldface as published]

[Text] Dear Director:

I want to thank you for the comment regarding my speech on Saturday that was aired over Circuito RPC Television Channel 4. The comment was published in your widely read "Names and Events" column on 15 March.

Nevertheless, I must point out an error of interpretation. At no time did I express support for a GOVERNMENT of national unity. The national unity that I advocate is the national unity "to build a new SYSTEM OF GOVERNMENT acceptable to the great majority of Panamanians," and I added that in the 1984 elections all Panamanians must have the chance to choose freely between those who represent a continuation and those of us who represent change.

In remarks over a radio station on Friday, 11 March, I explained the Christian Democratic Party's position on national unity in the following terms:

1. YES to the national unity to achieve a new and truly democratic constitution.

2. YES to the national unity to achieve conditions that will permit a truly free electoral process.

3. YES to the national unity that consists of jointly analyzing and identifying what the country's great lines of action should be with regard to such problems as the public debt, unemployment, the promotion of the family, the possibility of a sea-level canal, the protection of the environment and democracy in our region.

4. NO to the national unity that consists of participating in a government that is exhausted, divided and exposed to repeated military interventions.

5. NO to the national unity that consists of a single candidate in the 1984 elections.

We are convinced that the people must be given the opportunity to decide who their future rulers will be. We feel that any unity that disregards this principle is fictitious and ineffective.

Very Truly Yours,

Ricardo Arias Calderon, president of the Christian Democratic Party

POPULAR NATIONALIST PARTY URGES DIALOGUE

PA180420 Panama City Circuito RPC Television in Spanish 0300 GMT 18 Mar 83

[Message to the Panamanian people by the Popular Nationalist Party, read by its president, Olimpo Saez; date note given -- recorded]

[Text] In a letter addressed to General Torrijos at the end of 1977, the members of the Popular Nationalist Party [PNP] indicated that the National Guard had to rectify the disastrous course it was giving to all the government's actions. While diverse changes were made in the National Guard Command, our party insisted that the republic demanded peremptory and fundamental rectifications. In July 1982 the National Guard,

through its commander, announced several political measures that some greeted with mistrust and others with undeniable confusion.

However, the PNP was never deceived because it noted that it was indispensable to make the announced rectifications more profound. One of them was related to the constitutional amendments, which are on the verge of culminating. Now a new point of advancement occurred with the statement by General Paredes on 9 March regarding the possibility of a government of national unity. The party has studied this pronouncement with the thoroughness demanded by the circumstances to explain its basic criteria regarding the current political moment.

The popular democratic process programmed constitutionally for 1984 is the only national perspective that offers an opportunity for the republic to halt the headlong plunge into collective disastrous and establish suitable guidelines to overcome the serious problems that afflict us. The occasion of a new government in 1984 should be taken advantage of wisely to search for a national agreement that will enable reaching a program of concrete objectives for the conscientious and organized salvation of the republic.

We believe that a proposal for a government of national unity should be directed toward this objective. It is not necessary to insist on the somber outlook of the country, with a treasury in catastrophic deficit, with an economy on the brink of collapse, with public education totally disoriented, with increasing and frightful unemployment, with a profound institutional crisis, with administrative corruption that is starting to reveal its great proportions and complicities, with the commitments at short and long term on the canal, to which we are foolishly turning our backs. We certainly do not expect glorious days.

The current political conditions do not presage a spontaneously encouraging course. In a few months the political country has been divided into 11 political parties that are registered, while other groups are striving to obtain registration, which is difficult. All of this indicates that each one will be lending itself to alliances of electoral convenience, without bearing in mind what will come about with the divisionism in which only a group of a scarce majority can triumph. A profound national agreement is what the Panamanian people need to begin the path of collective redemption.

The PNP proposes to President Ricardo de la Espriella, the National Guard and all the registered parties, without exception, to initiate and maintain an effective and fruitful dialogue to achieve a national agreement in the following areas:

1. Economy and unemployment. A state policy of commercial, industrial and agricultural-livestock development, state mediation between management and labor federations in order to generate sources of employment and guarantee workers' rights, and a program of investments.

2. Public debt. Means to correct the National Treasury situation and halt administrative corruption and contraband.

3. National education. Restructuring of the national educational system to overcome its national anarchy and its academic failure, in response to Panamanian society's real demands.

4. The canal. Drafting of a national policy on the immediate perspectives of the canal activities, with a view to its greater yield for Panama.

5. Political juridical institutionalization. The national government's impartiality in elections matters. Approval of an electoral code that will strengthen democracy and guarantee pure elections in all its aspects.

These points are not complete or exhaustive. We present them as a proposal to which other groups and persons will add topics, problem and specific views. We must realize that we cannot be inspired by illusions or totalizations [totalizaciones]. No political party, not even the partial alliances that are in the making, nor the National Guard has a monopoly on the solutions that the republic is awaiting. Any new government that emerges from the splintering of the political, economic and social forces will lack the majority and indispensable support to rescue the country from the negative escalation that has plagued it for years.

With this initial proposal of a national agreement, the PNP makes an energetic exhortation to public opinion, because we are facing the dilemma; either a national agreement or the diaster will be deepened. Let each party and each citizen assume his historic responsibility. We assume ours. Panamanians, you are the best judges. Long live Panama.

BRIEFS

AMBASSADOR TO GUATEMALA -- Maj Victor Mata (Ret) has been appointed Panamanian ambassador to Guatemala. He will leave for Guatemala in the next few days. [Panama City LA REPUBLICA in Spanish 16 Mar 83 p 5 PA]

NEW FRENCH AMBASSADOR -- Paris, 16 Mar (AFP) -- The French Foreign Ministry announced today that Robert Cantoli has been appointed ambassador to Panama, replacing Pierre-Andre Dumond. [Paris AFP in Spanish 1506 GMT 16 Mar 83 PA]

IDB LOANS -- The IDB has granted Panama $105 million in loans for development projects. It has also donated $4.5 million for technical operations cooperation. $90 of the $105 million will be used for completion of the La Fortuna hydroelectric project. [Panama City MATUTINO in Spanish 17 Mar 83 p 1-A PA]

BLADEX PRESIDENT -- Luis Alberto Arias was reelected president of the Latin American Exports Bank, BLADEX, on 19 March. [Panama City Televisora Nacional in Spanish 2230 GMT 19 Mar 83 PA]

CRUDE OIL IMPORTS -- In 1982, Panama imported 11.8 million barrels of crude oil worth $364.8 million FOB. Compared with last year's figures for the same period, 10.3 percent more oil was purchased and the price increased by 5.2 percent. Of these oil imports, 39.6 percent came from Venezuela, 38 percent from Mexico and the remaining 22.4 percent from Ecuador. [Panama City LA PRENSA in Spanish 18 Mar 83 p 6A PA]

BELIZE

PRIME MINISTER TO VISIT U.S. IN MAY FOR TALKS

FL182051 Bridgetown CANA in English 1735 GMT 18 Mar 83

[Text] Belize City, Belize, March 18, CANA -- Belize Prime Minister George Price is to pay an official visit to the United States in May at the invitation of President Ronald Reagan, it was officially announced here today. The Prime Minister's Office said Mr Price had accepted the invitation and would meet with the president at the White House on May 12.

The two leaders are expected to discuss U.S.-Belize relations. Belize, a former British colony in Central America, became independent a year and a half ago.

COSTA RICA

ANTI-SANDINIST FORCES CLAIM STRONG POSITIONS

PA220009 Panama City ACAN in Spanish 2309 GMT 21 Mar 83

[Text] San Jose, 21 Mar (ACAN-EFE) -- Spokesmen for Nicaraguan opposition groups reported today in San Jose that several groups of anti-Sandinist fighters have managed to consolidate their positions in Matagalpa and Jinotega Departments. The spokesmen, who did not wish to be identified, said that the positions in the places cited are considered to be militarily impregnable because they are protected by natural barriers, especially uninhabited mountains of the Isabelita Cordillera.

According to the same sources, other groups are falling back or advancing in the region of Chinandega in search of better positions.

The sources said that the group that has occuped the most important positions in Nicaraguan territory comprise some 2,000 well-armed and well-trained men, but they did not say where or when these entered the country.

Concerning the objectives achieved, the oppositionists reported several initial defeats of the government's forces. These occurred in ambushes during which the oppositionists inflicted "considerable casualties."

They do not know how many Sandinist soldiers may have died in the fighting but "from the evidence on the battlefields," the number must be very high. For example, they refer to five trucks "packed" with soldiers that were ambushed between Matiguas and Rio Blanco, where they are still burning. "No one escaped" from those trucks, according to reports from here.

While the anti-Sandinists announced the initial military achievements in Nicaragua, reports continue to arrive in Costa Rica of numerous groups of persons who are fleeing the violence in the neighboring country.

Based on the experience of the war against Somoza, during which more than 40,000 Nicaraguans took refuge, the Costa Rican Government is adopting measures in order to prevent a repetition of the social, economic, labor and health problems that developed at that time.

In the first place, Vice President Armando Arauz Aguilar announced strict security measures "to prevent the infiltration of persons who could endanger the national peace under the guise of refugees." Although the problem has not reached the extent of those in 1979 and 1980, the government is proceeding very carefully because "in the last 2 weeks more than 600 refugees have arrived in Costa Rica."

Circles of Nicaraguan citizens living in San Jose have reported the most varied rumors regarding the true situation in their country. Some have reported the involvement of hundreds of Cubans (including teachers), Vietnamese and persons of other nationalities in the struggle in favor of the Sandinist government, while other groups declared that, on the contrary, the anti-Sandinist offensive is being directed by Israeli officers.

OFFICIALS REPORT MINING OF NICARAGUAN BORDER

PA211836 San Jose Radio Reloj in Spanish 1200 GMT 21 Mar 83

[Text] Tense calm prevails in Penas Blancas, on the northern border, because of the intensified fighting in Nicaragua. As a preventive measure, the Nicaraguan authorities are now closing the border after 1700. Less circulation has been observed through that border post, with only a few groups and individuals trying to enter our country. The authorities report that very few people have been leaving for Nicaragua.

Despite the tension surrounding the Sandinist border guards, the Costa Rican rural guards in Penas Blancas are practically unarmed. They lack communications equipment and weapons and have been ordered to withdraw to Las Vueltas should any armed action occur in the area. According to local militarymen and residents, Nicaragua's entire border area has been mined. Trenches have reportedly been built and personnel using military equipment are in charge of guarding the area.

Meanwhile, the authorities have confirmed that at about 0400 yesterday, Sunday, shots from heavy weapons were heard in the (Cardenas) area. Shots were also heard in that area at about 2100 on Saturday. This suggests that some anti-Sandinist group has been staging incursions. Even so, no mobilization around Penas Blancas, which might suggest some armed attack in the area, has been observed.

GOVERNMENT ASKS CUBA TO SPARE WORKERS' LIVES

FL211712 Bridgetown CANA in English 1642 GMT 21 Mar 83

[Text] San Jose, Costa Rica, March 21, CANA-REUTER -- Costa Rica has asked the Cuban Government to spare the lives of five workers recently condemned to death for trying to organise a trade union movement, Foreign Minister Fernando Volio said today. He told REUTERS the request followed a meeting last week between President Luis Alberto Monge and members of the Polish community who told the president the five had been condemned for trying to set up a movement patterned on Poland's outlawed Solidarity trade union.

"I hope the government of Cuba revokes this deplorable decision..," Volio said. He gave no details on how Costa Rica's request had been communicated to the Cubans. The five men were named as Ezequiel Diaz Romero, 25, Jose Luis Diaz Romero, 28, Carlos Garcia Diaz, 46, Benito Garcia Olivera, 55, and Leonardo Martinez Garcia, 55. Daisy Diaz Romero, wife of one of the accused, was sentenced to 30 years in jail.

EL SALVADOR

GUERRILLA FORCE REPORTEDLY PARACHUTED INTO EAST

PA220322 Panama City ACAN in Spanish 0143 GMT 22 Mar 83

[Text] San Salvador, 21 Mar (ACAN-EFE) -- Citing "urban and rural sources," a San Salvador evening newspaper today reported that more than 100 guerrillas parachuted into eastern El Salvador over the weekend.

According to this report which has not been confirmed by official sources, an unidentified airplane made several flights over the northern area of San Miguel and Usulutan Departments, dropping in alleged guerrillas. The newspapers said that the zones in which the insurgents landed are Sesori, Nueva Granada and a place known as "Las Chilillera," an area controlled by the FMLN.

On more than one occasion, the army has denounced the clandestine landing of alleged guerrillas unidentified airplanes and boats from Nicaragua but so far it has not provided any proof.

REBELS REJECT ELECTIONS; WILLING TO NEGOTIATE

FL212245 Mexico City NOTIMEX in Spanish 2005 GMT 21 Mar 83

[Text] Mexico City, 21 Mar (NOTIMEX) -- Antonio Hernandez, representative of the Salvadoran guerrillas in Mexico, warned in an interview granted to the Mexican newspaper EL DIA that elections cannot be held in El Salvador under a climate of war. He said the Mexican-French declaration certainly makes a direct U.S. intervention in El Salvador difficult.

Yet, the FMLN-FDR representative said, today more than ever there is danger that the U.S. Government may instigate a Honduran Army intervention in the conflict.

He said the electoral process in El Salvador has been completely exhausted because no one has respected the vote cast in past elections (1972 and 1977).

The proposal for elections is nothing more than fear on the part of the Ronald Reagan administration over a triumph by the revolutionary forces. The elections had been announced to take place in mid-1984 and now will be held in December of this year.

Antonia Hernandez said that the fact that the electoral process has been exhausted does not mean that they want to get into power through armed force. He recalled that they had reiterated their proposal for dialogue without ever receiving a response from the other side.

The FMLN-FDR, he said, refuses to participate in illegitimate elections which are only being proposed through U.S. imperialist maneuver to try to get around the conflict prevailing in that Central American nation. But the FMLN-FDR is certainly willing to [achieve] a political settlement. To achieve peace, it is first necessary to hold talks and arrive at an agreement between the parties. Therefore, the FDR-FMLN is willing to negotiate with Washington and the Salvadoran Government, he clarified.

STATION INTERVIEWS FDR'S GUILLERMO UNGO

PA191549 Panama City Telemetro Television in Spanish 0014 GMT 19 Mar 83

[Text] The Salvadoran leftist guerrillas have spokesmen in various countries whose purpose is to seek support for their subversive movement. Guillermo Ungo, an FDR member from El Salvador, explains in the following interview the position of the guerrillas involved in the civil war in that Central American nation:

[Begin recording] [Question] It has been charged that the Salvadoran guerrillas are supported by Cuba, Nicaragua and other socialist bloc nations. What can you tell us about this?

[Answer] The U.S. Government has been pursuing this charge since 1980, but it has never been able to prove it; and this is not simply our claim, as it is shared by many U.S. Congressmen.

In contrast, there is evidence of the growing interference by the U.S. Government in its efforts to find a military solution, which is contributing greatly to the continuation of the conflict and to the number of victims resulting.

[Question] In his welcoming address to Pope John Paul II, President Alvaro Magana announced the creation of a coordinating commission that would work on amnesty for all guerrillas. How has the FDR responded to that offer from Alvaro Magana?

[Answer] We believe that it is just another of the many attempts to disguise the true nature of a system, a regime and a government that openly reveal their repressive characteristics through their constant violations of human rights, which have institutionalized terror and fear, preventing the exercise of democracy. As far as the amnesty is concerned, we can only wait, although it has taken them 6 months just to name the commission. We must now assess its true power. So far, it doesn't seem to have true political power or to represent important political and social sectors. Even though it all seems to be for appearances' sake, we will wait to see what it can really do and what the government is willing to do with the commission's recommendations.

[Question] The Salvadoran guerrillas have often been accused of employing mercenaries. What do you say us about this?

[Answer] Were the guerrillas, in fact, using all of the resources offered us in international solidarity, we would now have an army of hundreds of thousands, as our movement enjoys wideworld solidarity, even in the United States itself. We have not accepted such offers because ours is a national struggle and we want to avoid creating conditions that would prompt massive and direct U.S. intervention. There are -- and these are exceptions to the rule -- some internationalists, doctors and others, who have identified themselves with the Salvadoran people's struggle and who are there. They are not mercenaries, however, they are fighting for a cause, which is the difference between the popular struggle and that waged by the repressive army. And it is the members of the repressive army who are providing the arms, by surrendering as prisoners of war by the hundreds, because they have nothing left to fight for and because they have come to realize that they are being used in pursuit of the oligarchy's interests.

Meanwhile, the great majority of those who are fighting in El Salvador, and they are Salvadorans, are struggling for peace, justice, freedom and respect for human rights, all of which have been denied us for decades. Thus, the Salvadoran Government's charges are simply unfounded claims. Naturally, the FMLN has admitted the presence of some Latin American, European and North American internationalists, all of whom are cooperating in our work, though not necesarily military. Some work in the rebel radios, others are doctors offering their services. Their aid is of a more symbolic nature, whereby they express their identification with the Salvadoran struggle and for similar causes throughout the world, all striving for self-determination, justice, democracy, freedom and national independence.

[Question] How does the FDR see the Reagan administration's effort to obtain political negotiated peace while at the same time increasing military aid to El Salvador?

[Answer] This is a fallacy and a lie. What is taking place is the very opposite of the famous statement by Clausewitz, who said that war is nothing but an extension of politics, or the political struggle waged through other means. What the United States is doing is making use of political means to extend and intensify the war. It is not really seeking a political solution.

An antidemocratic regime cannot create the conditions necessary for democratic elections when the required elements of freedom do not exist. A regime that has institutionalized terror and repression; a regime that tries to prevent any access to us or the possibility of action on our part, not only by using imprisonment but by committing murder; a regime that has not even permitted the Salvadorans to know of the proposal for dialogue that we submitted in October and that received worldwide attention, cannot guarantee such conditions. That is exactly what we are proposing; a political solution that will establish the chance for democratic development in El Salvador.

It is also fallacious in that it has already been proven that under such circumstances, with such a power structure and in which political and social activities are controlled through fear, intimidation, and repression, there can be no peaceful solution.

FMLN PERIODICAL SPECULATES ON INTERVENTION

PA191243 Managua Radio Sandino in Spanish 1830 GMT 18 Mar 83

[Text] El Salvador -- On orders from the Pentagon, the Central American armies are in a strategic defense phase. Later these armies will take up a strategic offensive in the framework of a possible regional confrontation, says the latest issue of GUAZAPA, a political analysis weekly published by FMLN intellectuals. According to the article, the Reagan administration is promoting a flexible reaction strategy whose objective is to crush liberation movements in the Central American region and to annihilate the Sandinist revolution without provoking a nuclear confrontation.

The political and military confrontation in El Salvador right now is about to pass from the special warfare phase to a local war phase, which could result in a massive intervention by U.S. troops or by unconditional allies of the United States, the weekly says.

FMLN LEADER SEES U.S. WISH FOR 'ANOTHER VIETNAM'

PA182320 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 18 Mar 83

[Text] Shafik Jorge Handal, member of the Salvadoran FMLN General Command, has charged that the current U.S. Administration wants to turn El Salvador into another Vietnam. He said that North Americans have been replacing some methods of intervention by others, as they did in Vietnam, to which they finally sent over 500,000 troops.

The FMLN leader explained that massive arrival of ammunition and bombs from Honduras has considerably increased the government forces' firepower, particularly that of the air force, whose recent indiscriminate bombings have resulted in hundreds of civilian dead. Sources close to the Salvadoran Government have admitted that part of the U.S. arsenal left in Honduras during the Big Pine maneuvers is hurriedly being sent to El Salvador.

RADIO VENCEREMOS REPORTS ON FMLN ACTIVITIES

Commentary on Garcia Villas

PA181744 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 18 Mar 83

[Station commentary]

[Text] By murdering Marianela Garcia Villas, the president of the Salvadoran human rights commission, the Salvadoran regime has effectively passed and carried out the death sentence on a Salvadoran figure who was one of the most concerned with justice and human rights in El Salvador.

The Salvadoran human rights commission was created by Marianela Garcia and other Salvadorans. The commission soon gained world recognition for its reports on the government's brutal repression and for its reliable evidence of torture, murder, kidnappings and other violations of human rights in El Salvador.

Garcia Villas obtained her bachelor of arts degree in Spain. She became a Christian Democratic Party, PDC, deputy but was later expelled, along with other party members, for disapproving of the PDC's turncoat, antipopular and collaborationist policy. Her upright position, in an atmosphere in which silent acquiescence was the general rule, earned her the dictatorship's ill will. This led to arrests by the National Police, the National Guard and other repressive organizations, which could never have brought formal charges against her. The only crime of which Marianela could be accused was being overly concerned about tne fate of those who are illegally arrested and tortured in clandestine prisons.

On 19 April 1979 her car was machinegunned, but she escaped unhurt. In 1980 she left the country to launch a tireless campaign on behalf of human rights in El Salvador. She travelled to many countries that granted her recognition for the admirable job she was doing. As the president of the human rights commission, she was the recipient of many distinctions. On three occasions she was nominated for the Nobel peace prize and she was awarded the isabel la catolica medal by the king of Spain.

Marianela Garcia Villas, murdered in the line of duty in Suchitoto, attained world recognition that earned her the vice presidency of the international federation for the rights of man, a UN consultative body, and she was also in charge of the coordinating board of organizations for the defense of human rights of the Central American and Caribbean peoples.

The military high command sentenced Marianela Garcia Villas to death when the Armed Forces Press Committee, Coprefa, issued a list in March 1981 with the names of hundreds of Salvadorans, including priests, professionals, students and military people, all accused of being enemies of the genocidal dictatorship.

The government realizes that the world knows that it has murdered a Salvadoran figure who, together with Msgr Oscar Romero, represented the loyal apostolate of the defense of the right to live and the man's dignity in El Salvador.

The government is aware of the stature of the person whom it has murdered, which is why the military high command issued such a vile communique on the subject, describing Marianela Garcia Villas as a terrorist. At the time of her murder, Garcia Villas was investigating the brutalities and terrorism unleashed by Garcia and his armed forces in the area. She was also investigating the terrorist techniques employed by the Salvadoran Air Force against the peasants, including the use of forbidden weapons.

Garcia Villas was vilely accused by the military high command of being a terrorist and a guerrilla commander. Yet the only weapon in her possession when she was murdered was a camera, according to the Coprefa communique. She was in the area to gather evidence on the regime's genocide, because the human rights commission that was appointed by the dictatorship, whose hands are stained with the blood of some 46,000 Salvadorans, has done nothing to denounce these crimes. The dictatorship's human rights commission is an accomplice in the most degrading barbarism in our continent's history.

If the armed forces had in truth had an encounter with the guerrillas in La Bermuda, as Coprefa reported, it would have suffered yet another defeat, but the fact is that in La Bermuda the cowardly and genocidal Atlacatl Battalion simply massacred unarmed people.

Marianela Garcia Villas serves as an example to those who are struggling today to restore justice in El Salvador. This should be a warning to those who remain indifferent to the country's tragedy. The victory of the noble and heroic people of El Salvador will be the only guarantee that human rights will be respected and the right to life ensured.

40 Prisoners Released

PA192025 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 19 Mar 83

["Report by Companero (Milton) from the FMLN Anastasio Aquino Paracentral Front; no date given -- read by announcer]

[Text] The 40 soldiers captured in (Cruz Verde), near San Diego canton, Tocoluca, San Vicente Department, were released at 0630 on 17 March. The 40 prisoners were turned over in the presence of the Mayor of San Rafael Obrajoelo. They were taken to the city of San Vicente in vehicles used to transport sugarcane. An event was held at the release site. All the local people attended.

In this manner, the FMLN fulfills its commitments and respects the lives of the soldiers and officers who lay down their weapons during combat. We blame the fascist army's high command for anything that might befall the released prisoners.

A total of 40 soldiers have been released, including 35 soldiers, 3 corporals and 1 sergeant. One of the prisoners was Cadet Lt (Jose Maria Lopez).

Colonel Castillo on Elections

PA192244 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 19 Mar 83

[Statement by Col Francisco Adolfo Castillo, former Salvadoran deputy defense minister, captured by FMLN forces on 17 June 1982 in Morazan Department; date and place not given -- recorded]

[Text] In view of the impossibility of militarily defeating the guerrillas, the U.S. Government has designed the elections strategy to secure a political victory. We built hopes on the 28 March [1982] elections. I can state that the elections were planned in such a way that they would appear successful, at least in the capital.

Only a few ballot places were open to create concentrations of voters. In public and private offices people were intimidated into voting. There were practically no elections in the country's interior.

The fact that almost a year has passed since the elections and the guerrillas are defeating us proves that the elections failed. The elections solved no problem. Most of those who voted did so because they thought that we would negotiate with the guerrillas after the elections and that there would finally be peace.

Elections have again been proposed, for the end of the year. These elections are doomed because the United States and the armed forces cannot understand that the FMLN is a political and military power.

Who is going to believe in elections guaranteed by General Garcia, General Vides Casanova, Col Flores Lima and others? This is absurd; it is like closing one's eyes in order not to see the truth.

To conclude, I want to appeal to my comrades in arms; in the past few months I have realized that the FMLN is a political and military power with strong support from the people, and the matter is not whether they receive arms from abroad. The fact is that thousands of men are ready to take up these arms, that they have learned how to use them and that they are another army.

In this situation, the solution is neither to continue the war nor to hold elections. The armed forces were not created so that hundreds of soldiers and officers would die defending the interests of rich families or of the United States.

Companeros; this war will lead to the country's destruction. Worse, it could become the starting point of an international war that would have grave consequences. The armed forces has the historic obligation to reunite with the people.

Troop Buildup in Morazan

PA202015 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 20 Mar 83

["Last minute: report from the Francisco Sanchez Northeastern Front in Morazan Department; no date given -- read by announcer]

[Excerpt] On the morning of 18 March, the Ramon Belloso Battalion arrived for the third time in Morazan Department and was stationed in Osicala. The Belloso Battalion came to join the Jaguar, Atonal and Cazadores special battalions, as well as the paratroop squadron, the La Union battalion and the troops of the Commando Instruction Center in San Francisco Gotera. These troops arrived in Morazan Department after our victories in Osicala, Delicias de Concepcion and Yoloaiquin. The troops came to aid the defeated local forces, which did not withdraw.

On the morning of 19 March, these forces began a new operation, advancing on areas of Cacaguatique hill. Heavy fighting took place all day long. Our forces are in full fighting disposition. The Rarael Antonio Arce Zablah Brigade is ready to defeat this new offensive launched by the special battalions.

Eight soldiers of the Atonal Battalion were killed on 19 March. The special battalions have begun to leave dead soldiers behind in Morazan Department.

Also, on 19 March, super Mystere fighter planes owned by the Honduran Air Force flew over Morazan Department.

We expect to engage in heavy fighting with the special battalions on 20 March, since they intend to advance on northern Morazan. Our forces are on the alert throughout Morazan Department; they are ready to fight wherever the enemy may advance.

(?Radio Venceremos) will report to our people on the development of these clashes. We will report to our people on the defeat of this new operation launched by the special battalions and their U.S. advisers.

HAVANA SERVICE REPORTS ON FMLN SITUATION

U.S. Supply Air Bridge

PA181238 Havana International Service in Spanish 0000 GMT 18 Mar 83

[Text] Radio Venceremos, the clandestine radio station, has reported that FMLN guerrillas inflicted 4 casualties and took 41 prisoners in a recent attack on the headquarters of the San Rafael-San Diego canton, in San Vicente Department.

It added that during the operation, called "out of El Salvador, Yankee aggressor," the rebels also recovered more than 60 weapons of various gauges. Radio Venceremos stressed as the number of weapons sent by the United States to the Salvadoran dictatorship increased, so will the number recovered by the people for use in winning their freedom.

Commander Shafik Jorge Handal, FMLN general command member, accused the United States of wanting to turn El Salvador into another Vietnam. He said that Washington is qualitatively upgrding its aid to the regime, adding that the United States has already established an air bridge from U.S. airports in Honduras to the Ilopango Air Force base in San Salvador. This is why there has been a considerable increase in the supply of bullets, bombs and U.S. weapons to the Salvadorn genocidal regime lately.

Rights President 'Murdered'

PA181301 Havana International Service in Spanish 1600 GMT 17 Mar 83

[Text] The Salvadoran human rights commission has charged that its president, Marinela Garcia Villa, was murdered along with 21 peasants who were trying to escape from a repressive operation launched against the civilian population by the army near Guazapa volcano in Cuscatlan Department.

The commission added that Marianela had entered El Salvador in mid-January to investigate the use of chemical products by the army against the inhabitants of Guazapa, and termed false the government claim that Garcia Villa was a commander of the FMLN and had died in combat in La Bermuda. (Marvin Baker), who has been sent by the British Foreign Affairs Ministry to Central America, was instructed by his government to investigate the circumstances of Marianela Garcia Villa's death.

Other dispatches indicate that an appeals court judge has rejected for insufficient evidence the prosecuting attorney's request that four soldiers be tried for murdering four U.S. nuns in December 1980.

It has also been learned that at least one-third of El Salvador is without electricity as a result of the destruction of high-tension towers on the slopes of Guazapa volcano, where 2,000 army troops are trying unsuccessfully to rout the guerrillas.

FMLN Clashes, Sabotage

PA191240 Havana International Service in Spanish 1600 GMT 18 Mar 83

[Text] Some 500 Salvadoran Army troops were sent to the area around San Francisco Gotera, departmental capital of Morazan, to reinforce the 10,000 men who, since this Thursday, have been trying to contain the advance of guerrilla forces which have engaged the regime's soldiers in intense clashes.

Last-minute reports indicate that clashes are taking place in Usulutan Department. Meanwhile in San Salvador, the capital of the country, FMLN commandos attacked a civil defense post in the Ayutuxtepeque neighborhood.

Violent clashes occurred near to the town of Tierra Blanca and on the Lempa River railroad bridge which the Salvadoran Army uses in its operations.

Alvaro Magana's regime has urgently requested an electrical linkup with Guatemala to try to make up for the energy shortage in El Salvador due to the wave of rebel sabotage that has destroyed several high-tension towers.

Radio Venceremos, voice of the Salvadoran rebels, has said that since 9 March, installations belonging to the supply regulation institute have been occupied. The station has reported that 3 high-tension towers and nearly 10 energy transformers were dynamited.

U.S. Aid, 'Meddling' Protested

PA200439 Havana International Service in Spanish 0000 GMT 20 Mar 83

[Text] U.S. State Department spokesman John Hughes has flatly discarded any reduction in the military aid that the White House has requested for the Salvadoran regime. The U.S. spokesman said in Washington that the $110 million in additional aid demanded by Reagan portrays a real need to help the Salvadoran dictatorship.

Progressive organizations from seven U.S. Atlantic coast cities have repudiated their government's intention to increase its meddling in El Salvador.

Meanwhile, the rebel radio Guazapa has reported that the United States is training a special brigade in Puerto Rico and that this brigade's purpose is to intervene in the Salvadoran conflict.

War reports indicate that the Salvadoran guerrillas have been able to stop a government offensive against rebel positions in the Guazapa volcano area and that there has been bitter fighting in Cuscatlan and San Vicente Departments.

Results of Guerrilla Offensive

PA201801 Havana International Service in Spanish 1600 GMT 20 Mar 83

[Text] Radio Farabundo Marti has reported that during the first 2 months of this year, the Salvadoran guerrillas inflicted more than 1,200 casualties on the Salvadoran regime's army.

Reviewing the first 60 days of the "Revolutionary Heroes of January Offensive" launched by the FMLN, the station says that during that period 446 soldiers were captured, along with a large quantity of weapons and equipment.

Offensive in Morazan

PA211924 Havana International Service in Spanish 1600 GMT 21 Mar 83

[Text] Radio Venceremos, the voice of the FMLN, has reported that the army has launched a new offensive against that organization's guerrilla forces, which control vast areas of Morazan Department. According to the station, the troops have occupied positions in Osicala, from which they are slowly advancing toward areas adjacent to San Francisco Gotera, the departmental capital.

Some 3,000 soldiers are reportedly participating in this counterinsurgency operation, including members of the Ramon Belloso, Atlacatl and Jaguar special battalions. So far, the station announced, the army has sustained about 10 dead and injured.

For over 6 months now, the Salvadoran rebels have been controlling vast areas of Morazan and repelling the regime's many offensives against them.

NICARAGUA

SANDINIST LEADERS' NEWS CONFERENCE ON CONFLICT

PA220315 Managua Domestic Service in Spanish 2216 GMT 21 Mar 83

[News conference with Defense Minister Humberto Ortega Saavedra; Junta member Sergio Ramirez Mercado; Lenin Cerna, director general of national security; and Deputy Defense Minister Leopoldo Rivas of the Sandinist People's Army General Staff; at the Cesar Augusto Silva Convention Center in Managua -- live]

[Excerpts] [Humberto Ortega] The FSLN National Directorate and the Junta of the Government of National Reconstruction have decided to give this news conference to our people and to the world to discuss several important aspects of U.S. imperialism's current escalation of political and military attacks on our country, our relation and our people.

The FSLN National Directorate and our revolutionary government are interested in pointing out, in the first place, that U.S. imperialism -- through the remnants of the genocidal Somozist National Guard, which was defeated on 19 July 1979 by our people -- is the basic factor in the current escalation, particularly at this moment as we said, through its preferred military instrument, the National Guard.

This means then, that the Somozist National Guard, the remnants of that National Guard which managed to flee, especially to Honduras and some parts of the United States, is the main instrument in the current U.S. Administration's military maneuver launched, especially in the last few months, against our revolution. Among other aspects, we believe that the present escalation of attacks is aimed at distracting world attention from the current situation in El Salvador, in an effort to create better conditions for the implementation of their political maneuvers for the area. This military escalation by U.S. imperialism is also the U.S. Administration's warlike answer to the proposal for peace and negotiations that our government has been offering together with other responsible governments like Mexico, France, Venezuela, Colombia and Panama, among others.

This warlike military escalation is launched by imperialism in view of the political defeats it has suffered as a result of its unjust and highhanded attitudes in dealing with Central American problems. This escalation of imperialist attacks is also being conducted in the political and ideological aspects against our people in view of the counterrevolutionary failures to prevent and destabilize the development of our complex process to rebuild our country, which was destroyed by the Somozas, and which is affected by the current international economic crisis. This militaristic escalation is also launched by imperialism in view of the decisive defeats which our armed people inflicted on the Somozist counterrevolution in all their military operations like Seven Benk, Wila, and Jalapa in 1982, and their foiled attempts to create a clandestine organization in Nicaragua's main cities; as well as their foiled criminal plans to attack and sabotage strategic spots in our country.

In the military aspect, the present escalation has its immediate forerunner in all the military activities that Yankee imperialism is carrying out from Honduras with the genocidal Somozist guard against our border towns in the Jalapa area. As we well remember, in December 1982 a great operation was launched against us which was defeated by our revolutionary armed forces. These battles primarily took place north of the town of Jalapa which is on the border with Honduras, in the Cerro el Aguila and (Nubarrones) sectors among others, where our forces defeated those attempted invasions by the Somozist guard. At that moment, our forces, our troops were not able to maneuver to annihilate these genocidal forces, because these operations took place along the border.

In order to avoid a provocation that the most reactionary imperialist sectors have been seeking as pretext for a war between Honduras and Nicaragua, we respected the Honduras border and territory and we have always stopped our advance at the Honduran border. In other words, since most of the armed counterrevolutionary activity by the genocidal forces took place along the border, our ability to maneuver was limited in trying to smash these counterrevolutionaries.

From January to date and despite all the defeats that the Somozist genocidal forces have suffered -- since they have a sure base in Honduras and the support of the Yankees, because they are the instrument that the Yankees are using at this moment to attack our country militarily -- the Somozist guard managed to gather in Honduras most of the people they had scattered throughout several countries. They are well armed and trained in Honduras by imperialism. At the end of January, and throughout all of February, they have been carrying out activities aimed at establishing forces infiltrated from Honduras at greater level than usual and settling -- this what they are seeking -- settling in mountain areas in north Jinotega and Nueva Segovia.

These forces that imperialism has infiltrated into the mountains, to settle and conduct activities from there, do not number more than 1,200 men. A smaller part of this force, which the imperialist enemy infiltrated into those mountain areas in February, a smaller force of about 200 men managed to get as far as the mountains in Matagalpa Department. The rest of the Somozist guards remain at their bases, in the rearguard in Honduran territory. They attack our border defense system, especially in Jalapa and other points along our northern border from Honduras, with the complicity of the Honduran Army.

The Somozist counterrevolution, this new militaristic escalade by imperialism has again been smashed by our fists and rifles. Now that they have penetrated the mountains in northern Nicaragua, it is possible for us to surround them in order to attack the, harder.

To better understand what I have said in general terms, Brigade Commander Lenin Cerna, chief of national security of our revolution; and Commander Leopoldo Rivas Alfaro, deputy defense minister, will give you more details on the compositon of this group of genocidal forces and the decisive reply that these genocidal forces are getting from our armed forces. Companero Sergio Ramirez will also speak on behalf of our revolutionary government.

[Cerna] The counterrevolutionary activity carried out by groups, organizations, bands and military units aimed at destabilizing the Sandinist people's revolution has had different aspects, characteristics and expressions depending on each of the moments through which the counterrevolutionary activity has passed. In almost all of the cases, the common characteristic is the participation of elements who in some way have been directly linked to the Somozist guardsmen and the interests of U.S. imperialism.

Today we want to refer to one of those moments of the counterrevolutionary activity which is characterized by an even greater aggressiveness and in which one can clearly observe the action of the traditional enemies of our people. The people got to know these enemies through the cruelty and terror they suffered, but the people defeated them in the revolutionary actions that led to the people's revolutionary victory on 19 July. We are referring to the criminal Somozist guard and its creator, the U.S. Government and its intelligence service, the CIA.

At the end of 1981, the U.S. Central Intelligence Agency, CIA, decided to form the FDN [Nicaraguan Democratic Force] with two immediate objectives. One was to gather all the guardsmen of the overthrown Somozist dictatorship who were in various groups, bands and organizations that up to then were not suitable for the implementation of bigger plans; and the second was to have a single leadership, that of the CIA. For all the counterrevolutionary activity that had to be quickly carried out by orders of the U.S. Government which openly announced this, disclosing the figure of $19 million to promote this action.

During the first 10 months of 1982, many guardsmen were trained in the camps in the Everglades, in Miami, in California and in other countries. With this training, the counterrevolutionary leadership instruments, including the FDN staff were created with support structures that included troop and command schools, hospitals and communications systems. A plan was also prepared to harden those structures. All of this organization was guided, organized and financed by U.S. imperialism through the CIA in Honduras; from Honduran territory, with the support of the Honduran Army and agents of the CIA, Argentina, Israel and other nationalities.

In early November 1982, the enemy increased the infiltrations into our territory from Honduran territory with several objectives. One of them was to sabotage the agricultural production of the coffee, sugarcane and cotton crops, an objective that they did not achieve. All of this enemy action in 1982 culminated with the attempt by more than 800 genocidal men who under the command of (Pedro Ortiz), alias El Suicida, a former lieutenant of the Cascabeles company of the EEBI [Basic Infantry Training School under Somoza], tried to seize the town of Jalapa. They had the support of heavy artillery from the Honduran border. In a few days they were expelled by our people organized in the Sandinist People's Army [EPS], the militias and the Interior Ministry. At the same time our people picked the coffee harvest at the end of December.

In view of the enemy's defeat and the failure of its plans, the U.S. CIA decided to set up plan C with more logistics support and the increase of forces, transferring more guardsmen from various places and recruiting and kidnapping peasants on the border area. For this purpose the CIA ordered the restructuring of the FDN's political and military leadership with the following organization; a political directorate, a general staff and a group of operations forces. This military escalation is characterized by penetration from two main directions into the interior of the country. [Announcer explains that Cerna is going to a map of Nicaragua showing the exact locations] These are the two main directions towards the interior of the country.

They placed (Ramon Castellon), alias (Peyoni) and (Anibal), former officer of the Somozist EEBI in command in the first direction, northern Jinotega and Nueva Segovia. He has under his command a group of EEBI officers who are known for their criminal background against our people in the patrols in the mountains and their actions in the cleanup operations during the insurrection in the cities of Leon, Esteli, Managua and Masaya. [Announcer explains that Cerna has returned to his place]

Those officers are Lt (Walter Calderon), alias (Tono); Lt (Roger Sandino), alias (Richard); Sgt Maj (Benito Bravo), alias (Bravo); Lt (Pedro Ortiz), alias (Suicida); and Lt (Armando Lopez), alias (Policia Lopez). It is important that we point out that all of these criminals are currently using the aliases of (Richard), (Suicida), (Bravo), (Anibal), (Tono), (Peyoni), (Renato) and (Policia). They used them when they operated and lead patrols, murdering our people before the revolutionary triumph.

The staff formed by the CIA to carry out its plans includes (Emilio Echeverria Mejia), a major in the Somozist guard; (Ramon Mario Morales Nunez), alias El Diablo Morales, known because he was wounded in the southern front and by a gesture of our forces at that time he was turned over to the Costa Rican authorities; (Edgard Hernandez Flores), a former EEBI lieutenant who is in charge of intelligence; (Hugo Gutierrez Villagra) known as a member of the group that attacked Radio Noticias del Continente in Costa Rica and known as (Visac Gongora); and former national guard Capt (Juan Alcibiades Espinales Cuadra), known as (Rudo). All of these men form the staff that the CIA has organized with the guardsmen of the overthrown Somozist dictatorship and who are under the orders of what they have established as the political directorate of the FDN. That political directorate is headed by Somozist National Guard Col Enrique Bermudez (Varela), who was on the ticket when Somoza ran for president; Alfonso Callejas (Vechon), a big Chinandega Department landowner; Adolfo Calero Portocarrero, former CIA agent in Nicaragua since the 1960's and manager of the Coca Cola company in our country; Indalecio Rodriguez (Alami); and (Marcos Zeledon Rosales), former president of the chamber of commerce, Cosep [Higher Council of Private Enterprise] and Inde [Nicaraguan Development Institute]. Those individuals and Mrs (Lucia Cardenal Caldera), widow of counterrevolutionary and big landowner, (Jorge Salazar), and Edgar Coronel Chamorro make up the political directorate of the FDN organized by the CIA. From Honduras the FDN, along with the staff made up of guardsmen of the genocidal Somozist guard, is responsible for the counterrevolutionary activity which our forces are currently combatting.

In the direction of northern Zelaya we also have another group sponsored by the CIA [commentator breaks in to say that photographs of the people mentioned are being shown] headed by Steadman Fagoth, chief of the Somozist security office; (Carlos Rodriguez Batres), former colonel of the national guard and chief of a special section of the Somozist security office; and Capt (Justiniano Salas Perez), second in command of the sinister EEBI. These men give the orders for the aggressions we are experiencing at this time. [Commentator says guerrillas Commander Lenin Cerna is walking back to the map of Nicaragua]

The actions for this military escalation from Honduran territory, included in the previously mentioned plan C, began in January when a task force -- here we have it located -- left from an operations base in Honduras with the purpose of attacking Bismuna in northern Zelaya and later attacking other towns. From the direction of northern Jinotega and Nueva Segovia, in the areas of Wiwili and Gualtli, early in February -- the task force entered in January and this happens in February -- the main body entered. The main body is formed by six groups which they call task forces. The U.S. Army has used this designation to describe groups of 250 men with a high command military structure -- here we have the task force -- [words indistinct] [commentator says that Commander Lenin Cerna is giving more details with charts] and with communications equipment to receive instructions from Honduras. For weapons these task forces use FAL and AK Chinese-made rifles, RPG-7 rocket launchers, M-79 grenade launchers, M-60 machineguns, 60 and 80-mm mortars, Claymore mines, C-4 explosives and TR-77 radios. This is the same kind of equipment that the CIA uses for this kind of operation. The task forces then entered in these two main directions and a group of some 200 men was able to reach the Matagalpa mountains. This group is led by the man known in those mountains as (Tono). Back in 1977 and in 1978 (Tono) patrolled that area killing the Quaslala peasants. The second group is led by (Jose Francisco Ruiz), alias (Renato). He is also known in the area because he patrolled it in 1977 and 1978. These men reached the Matagalpa mountains where they began murdering peasants and are to blame for the murder of the 17 Sandinist youths, the heroes of the Sandinist youths, in (San Jose de Las Mulas). The main body of these counterrevolutionary troops remained in the northern area of Jinotega near Rio Coco and Wiwili.

The rest of the genocidal group, those led by Steadman Fagoth, (Carlos Rodriguez) and (Justiniano Perez) are currently making plans to return and introduce more forces through the areas of Las Minas and Puerto Cabezas.

We also have information that, included in this escalation plan, the CIA has organized several groups to act from the Costa Rican border. These troops are commanded by the traitor Eden Pastora. Along with Pastora they plan to create a government junta in Honduras. To achieve this they have made several trips in recent weeks and have met with the Honduran Army General Staff for this same purpose.

Also, and using this aggressive escalation by the imperialism, some traitors and Somozists who are still in the country thanks to the benevolence of the revolution, have begun to mobilize inside the country with the idea of creating intranquillity, anxiety and hoarding. They want to create a state of anxiety among our people. Some spread rumors; others plan and carry out activities to distract the attention for reasons that we have already explained.

In conclusion, we wish to say that we are totally convinced that this enemy activity, as Commander Rivas will point out, will be completely defeated by our people.

[Rivas] In spite of the fact that some of those forces returned to Honduras, they have been prevented from reinitiating the military actions in the sector of northern Zelaya Department. Nevertheless, it is not being disregarded that there may still be significant counterrevolutionary forces in the Honduran territory north of Zelaya Department and that these may reinitiate actions similar to those carried out in Bismuna, principally in the sector of Las Minas and other important points of Zelaya Department.

It should also be stated that despite the fact that this was an important penetration attempt to distract the revolutionary forces to thereby permitting the introduction of their forces in the principal direction, as already pointed out by Commander Lenin Cerna, Jalapa and Jinotega; despite the fact that this was, I repeat, a diversionary action. They have also maintained in the border area of Jalapa, (Tejotecatine), a constant harassment activity that they have intensified recently with the objective of trying to distract important army forces toward the sector of Jalapa and prevent them from gathering and operating against the enemy's principal penetrating forces. These are at this moment located in the regions already described by Commander Cerna -- in Jinotega, Matagalpa, including some departments and more than departments, some mountain zones of the Jinotega and Matagalpa Departments, Nueva Segovia principally, and Madriz, as pointed out here on the map.

Nevertheless, we know perfectly well that the enemy still has sufficient forces to carry out some sabotage actions against production and military sabotage, such as the blowing up of bridges as they did in the past. They may even to try to harass some military units to some extent, with the objective, I repeat, of engaging our forces and distracting them from the principal fighting that is being waged against their units in the region marked on this map with the blue arrows.

That is, the enemy has not desisted from his actions on the border sector in Jalapa and, I repeat, he has his base in Honduran territory, and it is possible that the enemy may carry out in this sector some harassment and sabotage actions with the objective, I repeat, of distracting our forces from the most important thrust of the fighting.

We can say that at this in the areas of Quilali and Wiwili they have no possibility of having any significant military effect on any of the population centers located in the mountainous areas or near where they are operating. They are practically on the defensive and practically surrounded now by the FSLN people's militias and the Interior Ministry forces.

Two small task forces split from these six task forces or counterrevolutionary groups. They tried to move deep into the interior of Nicaragua, with plans to try to reach the departments of Boaco and Chontales. These task forces are smaller than the task forces that are or were located in the areas of Quilali and Wiwili. These forces probably do not have more than 100 men each; the two counterrevolutionary groups.

At present these forces have also sustained important casualties and are practically on a tactical defensive after only having carried out, as we will show later, actions against the peasant population and civilian officials of the revolutionary government.

Here we would also like to make a small summary of the fighting possibilities that these counterrevolutionary forces can have in the military field in the interior or Nicaragua, starting from the fact that they do not have regular combat weapons such as artillery, tanks and armored personnel carriers. They only have a few infantry weapons, although it is important to consider that these are good infantry weapons, supplied by Yankee imperialism through their intelligence agencies such as the CIA. This prevents them from carrying out even medium-scale military actions on a regular battlefield. They are practically restricted to fighting an irregular mountain war, the only immediate military objective of which is to spread terror, carry out as many harassment actions and ambushes as possible, having the element of surprise, with the objective, I repeat, of spreading terror and causing political and economic destabilization in the areas in which they operate.

As you have already been informed and will be informed later, this series of military activities also has other objectives, since this may possibly be part of larger military plan. It is also important to point out that their capability for movement and maneuvering is very limited since they have to move on foot in mountain areas because they have no transportation and have no chance to amass large concentrations of forces in a short period of time that would permit them to carry out large-scale military actions against important towns of the areas close to the mountain areas where they are now being pursued and surrounded for elimination.

Another important element that we must add to this limited fighting capability that restricts them to irregular activities is the impossibility of their getting supplies from Honduran territory as they had been during the first stages of their attacks along the border, and the impossibility of their regrouping their forces in Honduran territory to stock up on ammunition and other logistic supplies. Today the EPS and Interior Ministry forces have cut off their overland supply routes.

In view of all this, and the composition of the four task forces, two of which have practically been destroyed in the Quilali and Wiwili areas, because, as we said in the beginning, the harsh blows that they have suffered and the arms that we have recovered through the blows inflicted on the two smaller counterrevolutionary task forces or groups, in view of this situation that we have mentioned, the military answer by the EPS and the Interior Ministry has been the following:

In the first place, small towns in areas where the counterrevolutionary activity is centered have been reinforced by the Sandinist people's militia. Self-defense has been organized in the towns, and regular EPS and Interior Ministry forces have been used in combat, pursuit, encirclement and annihilation operations. These pursuit, encirclement and annihilation operations -- and reinforcement operations and defensive military measures which have been taken in important, semi-important and lesser points to prevent any large-scale operations by these counterrevolutionary forces -- have led or have allowed our forces to conduct large-scale offensive operations against these counterrevolutionary forces. They are principally on the defensive now. Up to this moment the counterrevolutionaries have carried out no important offensive action except for the attack on San Jose de Las Mulas where the heroic members of the 19 July Sandinist youth movement died, and other surprise ambushes on roads in the area of Quilali.

These are their only military offensive operations. Until now they are completely on the defensive. Our forces have inflicted many casualties on them and have disorganized their commands. Casualties have also been inflicted on the counterrevolutionary leadership of these forces which have penetrated in the interior of our country. We can truly say that now their initial military plans have been foiled. Possibly they meant to take some towns, as they have falsely said in newspaper dispatches abroad. Today, after making this quick military analysis, we can state that their forces are insufficient to take even a small town and much less to hold it against regular EPS forces that have enough regular and modern equipment to destroy any force engaged in a war of positions, or even a regular war.

However, the main force, despite having been attacked, is still in the process of being disbanded and annihilated. They still have some tactical capacity to attack townspeople and peasants.

In conclusion we can point out that during February and March, these counterrevolutionary forces -- taking into account the Bismuna actions and the main actions in the main enemy penetration area and penetration of the secondary forces, the forces that were able to enter a little more into the interior of the country -- we have inflicted 309 casualties on the enemy. Among these 309 casualties there were 205 dead. The Sandinist Peoples Army, EPS, has had 97 casualties of which 57 have been deaths. To date there have been 17 civilian casualties: 11 dead and 6 kidnapped.

I would also like to point out something that is very important: In this type of fighting, in this type of combat that is waged in mountainous areas, it is very difficult to have a full report on casualties. Not so long ago the EPS discovered -- through the fighting in Bismuna against the counterrevolutionary forces that entered from Honduras -- approximately 30 bodies that the counterrevolutionaries had buried prior to combat and which the EPS forces had not discovered. These were seriously wounded men who could not be moved or taken back to Honduras so they died and were buried there. It is important to consider this to make a true military account of the actions in this area, and for the breakdown of what our revolutionary forces, with their dynamic actions, have done in such a short time in the battles against the counterrevolutionary groups.

We would also like to point out that important weapons have been recovered. A sample of the weapons recovered have been brought here for you to see. There are dozens of assault rifles, eight RPG-7 rocket launchers, seven M-79 grenade launchers, four M-60 machineguns, tens of thousands of rounds of ammunition and dozens of M-79 grenades.

In summary, we can say that at this moment, the enemy, in the main penetration area and in the area where they were able to enter deeper into Nicaragua, is reduced to tactical defense. Our troops at this moment have the initiative and the total support of the people. They have reinforced the defense of the small towns around the mountain area where the counterrevolutionary forces are found and are carrying out operations to cordon off the counterrevolutionary groups and in this manner stop the military plans that these counterrevolutionary forces wanted to carry out in Nicaraguan territory.

Ramirez Mercado

You have just been broadly and objectively informed about this new escalation of attacks against our homeland and people, an escalation that has once again been set up outside our borders according to the designs of the U.S. Government.

In the face of this situation, the Junta of the Government of National Reconstruction states to the Nicaraguan people and the governments and peoples of the world:

1. This new phase of the aggression against Nicaragua -- an aggression that has been uninterrupted since the revolutionary triumph -- is not only military but is also planned by the U.S. Government in the economic and financial fields, in an attempt to cut our access to credit and technological sources.

In fact, we must charge that in recent weeks U.S. customs has withheld shipments of spare parts for computers destined for Nicaragua. The Reagan administration has made efforts to boycott U.S. private bank loans to finance our agroindustrial production and it has also made efforts to boycott loans in the World Bank and the IMF.

This escalation is also political and diplomatic. The Reagan administration has sought the isolation of our homeland and revolution. This is shown by the interference in the meeting of the Coordinating Bureau of the Nonaligned Movement in Managua in an effort to alter the resolutions on the Central American situation and the aggressions against Nicaragua in favor of the imperialist interests; the campaigns in the United Nations against our homeland and the attempts to create regional organizations in Central America to excluse and isolate Nicaragua.

2. The Yankee government's efforts in this regard have so far been fruitless because we have been able to maintain the initiative and we have therefore remained on the offensive in the military as well as the international economic, political and diplomatic fields. Throughout these 4 years of revolutionary constution we have won many battles in all those fields and there is no doubt that we will continue to do so. The enemy will continue to be defeated.

3. The Yankee government which directs and encourages these aggressions tries to manipulate the difficult economic circumstances that Nicaragua is experiencing. Those difficulties are not exclusive to our country and affect all the poor countries of the world, particularly those of Latin America. The world crisis provoked by the United States hits our country, especially with regard to the lack of foreign exchange, and that is not secret. However, we also see the economic crisis as one more difficulty that our people will necessarily overcome just as they will continue to defeat thse aggressions. That is why we are in revolution and that is why we are changing the country.

4. The revolutionary government is fully capable of implementing all the measures necessary to guarantee the defense of the homeland and therefore to guarantee the total defeat of the Somozist counterrevolution encouraged by the Yankee government. We will mobilize the resources that are needed to fulfill this objective. We will make use of all the legal and institutional instruments at the disposal of the government such as the economic and emergency laws and the military emergency laws which continue in force. Political pluralism continues to be fully in effect in Nicaragua. But just as we will be energetic in combatting the Somozist guardesmen, we will also be energetic in confronting the diversionism and the domestic maneuvers of those who, having their past privileges affected and who are enemies of the people and the revolution, seek disguises to try to undermine the prople's power. Even though they do not express it or they conceal it, they are real allies of the Somozist guardsmen. For this purpose we will also use the revolutionary laws with full rigor.

5. Production and services will continue to develop as previously and in accordance with the revolution's social and economic objectives. We will guarantee that military needs will be effectively covered without causing essential harm to the planting and harvesting of crops, industrial, mining, forest and fishing production, transportation and the rest of the country's services, including all of its social services. We must remember that despite the siege and the aggressions that we have been enduring, we have had the best cotton and coffee harvests of all the years of the revolution, amply surpassing the goals. The sugar harvest will also be a record crop and meat production will increase above that of last year. With due anticipation, we have already announced the new incentives for the production of exports, the amounts of bank financing for agricultural production and the prices at which the state will buy corn, beans, rice and sorghum. We are prepeared to produce and to fight.

6. The revolutionary government is able to guarantee the population the rational supply of essential food and goods. We are proceeding to take the necessary measures so that the distribution of goods such as cooking oil and soap will be normal. This is why the distribution of those products as well as the distribution of sugar and flour have been nationalized. We will make efforts to increase the government's efficiency so that the essential products will effectively reach the working people. We will energetically combat profiteering, hoarding and speculation which are ways of destabilizing the revolutionary process and under which the counterrevolution also takes shelter.

7. So that the expenditures needed by the mobilization for defense and the annihilation of the Somozist guardsmen can be covered, the special tax established by Decree No 1,003, which was issued last year, will be maintained.

8. The country's internal stability means that all the productive processes, the work in the factories and the rural areas and the normal rate of our exports must continue to develop. We are sure that our people will increase their efforts in these tasks with tenacity and patriotism.

In its political and international relations in the world, Nicaragua has a sure and stable image. We are a country with prestige and we will continue to increase that prestige and that confidence.

9. Lastly, we want to tell our people that beginning today we are addressing all the governments of countries that are friends of Nicaragua, the political forces that in the world support our revolution and the organizations in which we are full members such as the United Nations, the Nonaligned Movement, etc., to tell them in detail about this new escalation of aggression so that they will give us their support and solidarity. As a member of the UN Security Council we are going to denounce these events to that body. Nicaragua is not alone and they will not pass. [Signed] [Government Junta]

[Humberto Ortega] It gives me pleasure to announce that the current Somozist military escalation of the imperialism has once again crashed against our courage and determination to win. The blows that we have given them and the difficult situation in which the infiltrated enemy finds himself, because of the pressure by our troops, clearly shows the prompt defeat of this new imperialist escalation.

However, being responsible we must point out that although the aggression -- with the use of the genocidal -- does not endanger the revolutionary power, or as Commander Rivas said, the operational and tactical situation of those enemy forces does not permit them to occupy or hold small towns, this does not mean that the situation for the National Directorate or the revolutionary government is less dangerous. We believe that from the military point of view, the situation is dangerous. The danger does not lie in the genocidals whom we are already defeating, but in a war against Honduras. We have to take into account that the Somozist forces that have entered our country need air support for supplies. This air support comes from Honduran territory, although until today this has been done on a small scale mainly with the use of helicopters. Hence, there is the danger that a military confrontation by our forces to crush the genocidals being used by the imperialists may provoke border clashes between our forces and the Honduran Army, thereby beginning a situation that could end in a war with imperialism and its puppets, its puppets armies, especially the Honduran Army.

We have also learned that aside from this imperialist escalation of introducing Somozist forces, they have moved some Honduran army battalions into the Choluteca area. This area borders on Chinandega department. This shows us that all this movement, all this imperialist escalation, is accompanied by very dangerous steps.

Even the irresponsibility of imperialism in the handling of regional matters reaches such extremes that in Honduras communiques are circulating and being broadcast with lies and tricky statements by Somozists who have now grouped within the FDN.

For example, here we have an IPS dispatch datelined Tegucigalpa, 21 March; a former Somozist guard organization called the Nicaraguan Democratic Force, FDN, today proposed the creation of provisional government junta in Nicaragua to replace the present Sandinist authorities. In a paid advertisement published in the Honduran newspapers LA TRIBUNA and EL HERALDO, the leaders of this organization said that they have begun heavy fighting inside Nicaragua and have demanded the support of the Latin American democratic governments.

Despite the fact that their forces inside Nicaragua are being defeated, they have run to announce and to speak of a provisional junta and at the same time are mobilizing Honduran Army forces toward Choluteca, near Chinandega. Of course, in the face of the crushing reality in which we have demonstrated that the Somozist enemy that entered our country is being defeated, they run in despair to denounce the junta as another political maneuver. They believe that in this way they will put our revolution into a difficult situation and facilitate the political and negotiating maneuvers of the imperialism over the Central American region. But it is truly ridiculous to speak at this time of a provisional government junta when our people are defeating the Somozist forces that dared enter our territory.

We have learned that in that government junta that they are talking about, they are mentioning, among other names, that of Alfonso Callejas (Dechon). We know very well that he is a millionaire landowner who was a vice president in the Somoza government. They also mention Adolfo Calero Portocarrero, who as Lenin Cerna said, has worked in Nicaragua as a CIA agent since the 1960's in Managua. He also managed the Coca Cola company and other companies that belonged to the reactionary (Manuel Igacio Lacayo Teran).

They are also saying that traitor Eden Pastora could be on this junta. Pastora recently visited the United States and he is undboutedly part of this imperialist maneuver against our people. They also mention Col Enrique Bermudez, former member of the genocidal national guard, and Alfonso Robelo Callejas, nephew of Callejas (Dechon) and (Lucia Salazar's) brother-in-law. This Lucia is also a political leader of this organization of Somozist guards, the FDN.

Therefore, the real danger lies in the fact that this Somozist force, inside our country, may serve as an instrument for bigger political and military menuvers by Yankee imperialism against our country. However, today, now that we can cordon off the enemy as we are already doing and crush him, we must continue with our military pressure giving a chance to all infantry reserve battalions and Sandinist people's militia units to take part in the military operations for as long as necessary to destroy the penetrated forces. Our tanks, cannons, reactive artillery, navy, air force are ready to stop any major actions which the enemy may attempt with interventionist puppet armies. As Commander Rivas said, at this moment, it is important for our infantry to continue surrounding, hitting, harassing and persecuting the Somozist enemy in the country. In this manner we will neutralize the political and military maneuvers that the imperialism has planned for this aggressive escalation. With the courage and morale of our people, defeating this Somozist military escalation won't take long. We must be aware of the fact that once we have defeated this escalation, the problem will not have ended mainly because of the support that the Somozist armed counterrevolution is receiving from the U.S. imperialism, because they are the instruments and because they have a secure rearguard in Honduras.

HAVANA VIEWS ANTI-SANDINIST GROUPS' ACTIVITIES

PA201545 Havana International Service in Spanish 0000 GMT 20 Mar 83

["Our America" commentary]

[Text] Morally encouraged and economically and militarily supported by the U.S. Government, the bands of former Somozist guardsmen and other anti-Sandinist groups are carrying out all kinds of villainies against the new Nicaragua. Armed attacks as well as the burning of the homes and the harvests of defenseless Nicaraguans are among the countless aggressive actions carried out by those counterrevolutionary groups, which operate mainly from Honduras. The bandits receive their military training from U.S. and Honduran advisers, while the Tegucigalpa regime shelters them and even encourages their despicable actions in accordance with the instructions it receives from the Pentagon and the CIA.

To do this, Washington has the full support of General Gustavo Alvarez, the Honduran defense minister [title as heard], who in the practice has become another official of the U.S. organizations for counterinsurgency and subversion.

The United States has also appointed an active CIA agent to Tegucigalpa, he is John Dimitri Negroponte, the U.S. ambassador in that Central American country. He is in charge of coordinating the plans of the counterrevolutionary Nicaraguan groups and acts as liaison among them, Washington and the Honduran authorities.

The anti-Nicaraguan groups have also set up another stage in Costa Rica. In January alone, the Costa Rican public force discovered 10 military camps in various places along the northern border and in the mountainous Atlantic coast areas. Those camps have been used to train Nicaraguan counterrevolutionaries, as various Costa Rican media have charged. Costa Rican Government sectors have even admitted this.

Over a year ago it was confirmed that some 1,000 members of the self-styled Revolutionary Armed Forces of Nicaragua carry out their activities in Costa Rica. This terrorist group is led by well-known Nicaraguan counterrevolutionary Fernando Chamorro Rapaccioli, who was detained once for possession of an impressive array of weapons and other war materiel. This group's actions are connected with the CIA's general plan against Nicaragua.

Since May 1982, the Costa Rican authorities have arrested no fewer than 50 counterrevolutionaries for possession of war weapons. In some cases, these weapons have been veritable arsenals. Most of those arrested have been released and have resumed their subversive activities against the Sandinist revolution. As the Nicaraguan authorities have already reported, not only are military plans against Nicaragua forged in Costa Rica, but that country, especially its capital, is being used as a center for coordinating the political actions through which the United States seeks to provide the anti-Sandinist conspiracies with a civil makeup.

It was in this capital that Eden Pastora announced his desertion from and betrayal of the FSLN and where the so-called Nicaraguan Revolutionary Democratic Alliance was created. Francisco Fiallos, the former Nicaraguan ambassador in Washington, also went to San Jose to express his political views.

In the end, he turned out to be responsible for a huge swindle against the Nicaraguan state and people. Finally, in connection with this group's political and military activities, a vast intelligence and espionage network operates in San Jose. The fact that this network is not visible does not detract from its vital importance in the plottings of the enemies of the Sandinist revolution.

CASTRO ORDERS QUICK RESPONSE TO STORM DAMAGE

FL212345 Havana Domestic Service in Spanish 2230 GMT 21 Mar 83

[Text] Commander in Chief Fidel Castro, first secretary of the party Central Committee and president of the Councils of State and Ministers, has directed the continuation and formation of commissions made up of members of state organizations and bodies to come up with ideas to organize an efficient and quick response the effects of the weathers of the weather phenomena that recently lashed the Provinces of Havana City, Havana and Pinar del Rio.

That announcement was made by Antonio Esquivel Yedra, member of the Central Committee and minister without portfolio, during meetings held with Julio Camacho Aguilera, first secretary of the party in Havana City Province; and Luis Alvarez de la Nuez, first secretary of the party in Havana Province. In the meeting held in Havana and presided over by Julio Camacho Aguilera, Oscar Fernandez Mell, member of the Central Committee and president of the [Havana] Provincial Assembly of the people's government, reported the emergency plan, which was initially formulated to minimize the damage caused first by the torrential rains and later by the high seas that flooeded the municipalities of Centro Havana, Plaza de la Revolucion, Playa and parts of East Havana. Camacho Aguilera said that we must remain alert and praised the quick response of the people and workers in cleaning up the garbage and debris and in other tasks.

Also participating in the meeting were Jorge Valdes Rodriguez, second secretary of the party in the capital, and Georgina Leyva Pagan, both members of the Central Committee, and several members of the Executive Bureau of the party in Havana city and directors of offices of the people's government.

MALMIERCA INVITES KING JUAN CARLOS TO VISIT CUBA

FL191215 Havana Domestic Service in Spanish 1100 GMT 19 Mar 83

[Text] Warm greetings from Cuban President Fidel Castro, along with an invitation to visit our country, were conveyed to the kind of Spain, Juan Carlos I during a special audience granted to Cuban Foreign Minister Isidoro Malmierca on the final day of his 2-day visit to Spain. The audience took place at the royal palace in Madrid in an atmosphere of cordiality and mutual understanding. The king of Spain expressed appreciation for the invitation, returned the greetings to the Cuban chief of state and said the visit would be resolved between the two governments. King Juan Carlos I and Cuban Foreign Minister Isidoro Malmierca agreed that there was mutual willingness to expand and develop relations between Spain and Cuba. Also yesterday and in the course of official talks between Malmierca and Fernando Moran, his spanish counterpart and host, Moran presented Malmierca with the highest decoration of the Order of Isabel the Catholic, the Rand Cross. The decoration was granted by decree in recognition of the Cuban foreign minister's beneficial contributions to relations between the two countries.

Malmierca told Spanish journalists that Spain could play an important role in Latin America because of its historical, cultural and linguistic ties, among others. There are many points of agreement in which Cuba and Spain can cooperate and there are no sensitive areas which would prevent such cooperation, although there are few [areas of cooperation] at this time.

HART LEAVES YUGOSLAVIA, ARRIVES IN FRANCE

Agreement Signed in SFRY

FL211735 Havana Domestic Service in Spanish 1500 GMT 21 Mar 83

[Text] Armando Hart Davalos, member of the party Politburo and Cuban culture minister, has concluded an official visit to Yugoslavia during which he signed a bilateral cooperation agreement that will expire in 1985. Shortly before leaving Belgrade, the Cuban minister said that he was pleased with talks held with Yugoslav political and cultrual leaders. Hart Davalos noted that these meetings and the protocol for educational, cultural and scientific cooperation signed in Belgrade are positive steps in the development of Cuban-Yugoslav relations. He also met with Yugoslav intellectuals. During the meeting, he received a detailed account of the work being done in the cultural sphere and discussed certain aspects of projects for cooperation, including research.

Arrival in Paris

FL211859 Havana Domestic Television Service in Spanish 1800 GMT 21 Mar 83

[Text] Armando Hart Davalos, member of the Party Politburo and culture minister, arrived in Paris from Belgrade today. On Wednesday, Hart Davalos will inaugurate an exhibit of the famous Cuban painter Wilfredo Lam, who died last year. The Cuban minister will meet with his French counterpart Jack Lang and other cultural and political personalities.

Meeting With Marchais

FL220220 Havana Domestic Television Service in Spanish 0100 GMT 22 Mar 83

[Text] Armando Hart Davalos, member of the Communist Party of Cuba Politburo, has been received in Paris by Georges Marchais, secretary of the French Communist Party. During the meeting at the French Communist Party's main offices, the two leaders reviewed the grave situation in the Central American region and other matters of interest in relations between the two parties. Hart arrived in Paris this morning to open an exposition of paintings by Cuban artist Wilfredo Lam, who died last year.

BRIEFS

TERRITORIAL MILITIA EXERCISES -- The first exercise of the staff of the Territorial Militia troops was held in the Cuban Province of Ciego de Avila. The purpose of this exercise was to consolidate practical responses in the event of war. There was a deployment and mobilization exercise and practice on the shifting from a peace-time to a war-time economy and on civil defense measures. [Text] [Havana International Service in Spanish 0000 GMT 20 Mar 83 PA]

ANTIGUA AND BARBUDA

FINANCE MINISTER ANNOUNCES 1983-84 BUDGET

FL182337 Bridgetown CANA in English 2252 GMT 18 Mar 83

[Text] St Johns, Antigua, March 18, CANA -- Antigua and Barbuda's Finance Minister John St Luce today presented a 265.1 million dollar (one E.C. dollar; 37 cents U.S.) budget for the 1983-84 financial year which anticipates a total deficit of 163.1 million dollars. Mr St Luce told the House of Representatives that the budget reflected austerity measures and government would be tightening its belt in keeping light with world trends. Estimated recurrent expenditure for the coming financial year was put at 119.6 million dollars, while capital spending was projected at 145.5 million dollars.

The minister said Antigua and Barbuda would be seeking 36 million dollars in foreign financing for the Deep Bay hotel complex -- a multi-million dollar project supported by Brazil and aimed at boosting the island's vital tourist sectors earnings. The minister did not give the source of this finance. However, he said 12 million dollars was being sought from Trinidad and Tobago for a pipe laying project and another 9.7 million dollars (U.S.) was needed for a major water supply scheme involving construction of dams and acquisition of a desalination plant. This funding is being negotiated with the United States Agency for International Development (USAID).

Total revenue was estimated at 102 million dollars resulting in a current account deficit of 17.6 million dollars for the financial year. The government has announced a recurrent expenditure of 119,656,589 dollars for the fiscal year, an increase by 13,332,817 dollars over last year's. The highest expenditure of 15,459,225 dollars goes to the Ministry of Education, Culture and Youth Affairs, up by 800,000 dollars over the 1982 estimate.

Mr St Luce said the most of this increase represented salaries and wages. The Minister of Health has been allocated 14,178,318 dollars, about a million dollars over last year. The minister said that despite the belt tightening exercise, over 5.5 million dollars will be spent on upgrading the Holberton Hospital as it remained a prime concern to government. The minister also recalled an increase in the recurrent expenditure for 1982 of about ten million dollars over the original budget. This he attributed to increased funding by way of special warrants, as well as the disappointing performance of revenue collections in some areas, resulting in a shortfall of about 14 million dollars against original estimates.

Mr St Luce said that in addition there were substantial advances which were made to some statutory bodies which continue to incur losses and further erode the public purse. In reviewing the domestic financial year ended 1982. The minister said that delays in the implementation of some tax measures curtailed revenue growth to 84.5 million dollars. The finance minister warned that the outlook in 1983 does not appear to be very encouraging though not overly disturbing.

Recurrent revenue is estimated to rise to about 102 million dollars or by just over 21 per cent. The increase is expected to be realised through ongoing efforts at improving tax administration, minimal increases in consumption tax and a review of property tax to bring all properties, whether rural or city located under the same rate system.

Mr St Luce said that he is mindful that too severe a structural adjustment could stifle growth and have a more deterrent effect in the medium and long term. He however pointed out that steps were being taken to strengthen public sector finances to generates savings in order to finance the high public sector expenditures and to reduce overall public sector deficit to a manageable level. He further spoke too of measures to reduce appears of external debts through payments or by way of rescheduling.

BARBADOS

PEACE GROUP ON VISITS OF U.S., BRITISH VESSELS

FL181558 Bridgetown CANA in English 1440 GMT 18 Mar 83

[Text] Bridgetown, Barbados, March 18, CANA -- The Barbados Peace Committee (BPC) has written Prime Minister Tom Adams requesting information on whether British and U.S. naval vessels and planes which have been visiting the island in the past week were carrying nuclear weapons and if this was the case to ban such vessles from entering the island's territorial waters.

In its message to Adams, who is also the island's minister of defence and security, the BPC said such a move would reduce the chances of Barbados being embroiled in a military conflict and also spare the island risk of accidents involving nuclear weapons.

Three American warships, two from Britain and one from Brazil have recently been in Barbados.

GRENADA

COMMUNIQUE CONDEMNS REBEL UNREST IN NICARAGUA

FL211555 Bridgetown CANA in English 1738 GMT 20 Mar 83

[Text] St Georges, Grenada, March 20, CANA -- Grenada has strongly condemned the latest guerrilla unrest involving right wing gunmen and Nicaraguan Government troops, officially reported to be some of the heaviest fighting since the end of the civil war in 1979.

The Nicaraguan Government reported yesterday that its troops were engaged in large scale operations to wipe out a force of several hundred gunmen who had penetrated deep into Nicaraguan territory and taken up positions 200 km north of capital, Managua. The Grenada Government issued a statement, which the government-controlled "Radio Free Grenada" said was sent to Daniel Ortega, the leader of the ruling Sandinista National Liberation Front.

The statement said: "It is with a feeling of shock and outrage that we learn of the invasion of the sacred sovereign soil of Nicaragua by thousands of Somozista murderers.

"The People's Revolutionary Government and people of Grenada express total condemnation of this bastardly act of war by the forces of counter-revolution and reaction.

"In this time of threat to your revolutionary process of national reconstruction, the People's Revolutionary Government and people of Grenada expressed to the Government and people of Nicaragua our firmest solidary and support," the statement said.

It continued: "You are assured that the Government and people of Grenada are ready to assist in whatever way you may deem practical. Please inform us of developments and of ways in which Grenada can extend concrete solidarity.

"We are confident that the popular revolutionary process of your people will triumph over this latest counter-revolutionary aggression. The struggle for Sandino, for freedom and justice would not be lost.

"Like all just struggles the world over, the Nicaraguan struggle will triumph over all forces of reaction and counter-revolution being sponsored by U.S. imperialism."

Statements Noted by Havana

PA212015 Havana International Service in Spanish 1600 GMT 21 Mar 83

[Text] Grenada's New Jewel Movement and the Dominica Liberation Movement Alliance [DLMA] have expressed their solidarity with the Nicaraguan People in the face of the armed aggressions against them by counterrevolutionary groups that operate from Honduras with U.S. military support. In St George's, the Grenadian political organization issued a document stating that the attacks of the Somozist bands are clear evidence of U.S. imperialism's desperate efforts to destroy the Sandinist revolution. The DLMA also exhorted all Caribbean governments to express their strongest condemnation of imperialism's acts of banditry against Nicaragua.

JAMAICA

SEAGA REACHES 'UNDERSTANDING' WITH IMF

FL212000 Bridgetown CANA in English 1815 GMT 21 Mar 83

[By Paget Defreitas]

[Text] Kingston, Jamaica, March 21, CANA -- Jamaica and the International Monetary Fund (IMF) have reached an "understanding" on the island's economic programme for the third year of its balance of payments support agreement with the IMF, Prime Minister Edward Seaga has announced. Mr Seaga, who returned home Saturday after a week of discussions in Washington with IMF officials, said in a statement that the talks had gone smoothly and that "an understanding has been reached." Jamaica in 1981 signed a 650 million dollar (U.S.) Extended Fund Facility (EFF) with the IMF.

"Further discussions will resume between the Jamaican and IMF teams on March 28 to work out details in time for presentation in the forthcoming budget debate...," added the prime minister. Mr Seaga had joined Central Bank officials for the discussions after leaving the non-aligned summit in New Delhi. The discussions with the IMF had not been going well as both sides had disagreed on what would be the level of the deficit in the 1983/84 budget as a percentage of gross domestic product.

The Seaga government has argued that it estimated the deficit would be in the region of 13 percent of GDP while the IMF said that it would exceed 15 percent. In resisting the IMF demand for a reduction of the deficit, the Seaga government argued that any budgetary reduction would mean the loss of about 10,000 public sector jobs to swell unemployment here which is already in the region of 25 per cent.

The administration of ex-Prime Minister Michael Manley in 1980 rejected a similar IMF demand during negotiations for a new support package, and this was followed by early elections that brought Mr Seaga to power.

Said the prime minister on the differences between his government and the fund: "The discussions have centered on the rate of adjustment of the Jamaican economy which the IMF feels should be stepped up based on the level of achievement so far in the first two years of the programme.

"It is our view, however, that the adjustment rate should fully take into account the level of the recession in the world economy and should not be accelerated to a point which would endanger growth in the Jamaican economy."

Mr Seaga, who is also the finance minister, said that Jamaica had eight years of negative growth in the 1970's and that "we must ensure that we maintain in 1983 and onwards the path of growth in the economy achieved in 1981 and 1982 under the three-year IMF programme."

Under the IMF agreement it was projected that the Jamaica economy would grow by an accumulated 12 per cent over a three year period -- at a rate of three-four and five percent annually. In the first year it grew by two per cent, and the forecast for the second year ending at monthend is a further 1.6 per cent. Official expectations are for another three per cent rise in the coming fiscal year which, if achieved, would mean a 6.6 per cent accumulated growth in the economy during the life of the agreement.

Production in the important bauxite/alumina industry declined by nearly 30 per cent last year, and the IMF believes that the way to deal with the problem is through further austerity and tighter fiscal control. In November Prime Minster Seaga said that the deficit on balance of payments during the fiscal year, now ending, would be 13.7 per cent, a better rate of adjustment than the 14.5 per cent the IMF had demanded. But the present talks with the IMF were complicated by doubts over the island passing this Monthend's economic performance tests. Mr Seaga said nothing of this in his statement.

CAMPAIGN AGAINST CORRUPTION IN GOVERNMENT BEGINS

FL211614 Bridgetown CANA in English 1520 GMT 20 Mar 83

[Text] Georgetown, Guyana, March 20, CANA -- Guyana's ruling People's National Congress (PNC) has launched a campaign aimed at weeding out dishonesty and corruption within government ranks, a senior government minister said. The minister, who asked not to be named, said the exercise would continue "until such time as we have dedicated and trustworthy officials manning the service in the interest of the masses of the people."

Guyana's President Forbes Burnham has already this year sacked a number of senior government officials, three members of the Guyana Defence Force (GDF) and the general manager of the Guyana Gold Board. Government's chief chemical analyst, Desmond Hope and the general manager of the Guyana Marketing Corporation (GMC) Tommy Rhodes were dismissed on January 1.

On February 2, President Burnham, who is Commander in Chief of the GDG, announced the dismissal of Lieutenant S. John, Second Lieutenant R. Bailey and Second Lieutenant R. Saeed. Three days later, on February 5, government announced the dismissal of Gavin Caleb, general manager of the Guyana Defence Board, who is facing two charges relating to stealing more than 67,000 dollars (one Guy dollar; 33 cents U.S.). The minister said the campaign of "purging the government will continue for the rest of the year."

HAVANA CITES BOUTERSE INTERVIEW ON SOLIDARITY

FL211730 Havana Domestic Television Service in Spanish 1343 GMT 21 Mar 83

[Text] Top Surinamese leader Daysi Bouterse has stated that his country will not be afraid to openly ask for the solidarity of all the friends in the region in the event of aggression.

In an interview granted to the magazine SOBERANIA, published in Managua, Bouterse said that Suriname will continue its policy of nonalignment and will maintain and strength its relations with sister nations of Latin America and the Caribbean.

He referred to the Netherland's suspension of a cooperation agreement for the development of Suriname and other military and cultural agrements and noted that although this action affects the country economically, it also constitutes a contribution to the popular struggle because it helps the people understand threats.

Although he noted that to an underdeveloped country like Suriname, any type of aid is important, Bouterse stressed that the Dutch aid was always a method to keep the country dependent.

Further Comment

PA212001 Havana International Service in Spanish 1600 GMT 21 Mar 83

[Text] Suriname leader Daysi Bouterse has stressed that his country would not hesitate to openly request regional solidarity in the event of aggression. In a statement for the Nicaraguan magazine SOBERANIA, Bouterse said that Suriname will maintain its nonaligned policy. It will also maintain and strengthen its ties with the Latin American and Caribbean peoples.

Concerning the Netherlands Government suspension of the Development Cooperation Treaty as well as military and cultural agreements with Suriname, he said that the Surianme people know a threat when they hear one. He added that following the plans of the Netherlands to recruit mercenaries to destabilize the Suriname Government, the people have become aware of the need to strengthen unity in order to defeat any military aggression.